



THE NEW ZEALAND
COMPANION ANIMAL
COUNCIL INC.

Companion Animals in New Zealand

July 2011



MESSAGE FROM THE PATRON OF THE NZCAC

There can be no doubting the impact companion animals have on all phases of our lives.

From childhood, when their shared uncomplicated friendship teaches love and respect, through adulthood, where they become such an integral part of the family unit, to the twilight years, when they bring meaningful companionship and a feeling of worth to those who need it. As humans, we are privileged to share our lives with them.

As a probable bi-product of our farming heritage, New Zealanders value their animals, particularly those who share their homes, and this is clearly evident in the findings of this survey, commissioned by the New Zealand Companion Animal Council.

The comprehensive details contained in this report illustrate without doubt the respect and affection held by New Zealanders for their companion animals.

The function of the NZCAC is to encourage and facilitate a harmonious relationship between companion animals, people and the environment, and we undertake this in a country that we know embraces that principle.

Sincerely

The signature consists of a black paw print icon above the name 'Bob' written in a blue, cursive, handwritten style.

BOB KERRIDGE, MNZM., KStJ., JP., FNZIM., BAppAnTech.

PATRON, NEW ZEALAND COMPANION ANIMAL COUNCIL INC

15 July 2011

DEFINITION OF 'COMPANION ANIMAL'

A companion animal is any animal that shares a living environment and relationship with humans.

The term 'companion animal' is an all encompassing phraseology given to an entire spectrum of animals with whom interaction and/or companionship is enjoyed by humans, and where a responsible guardianship is established and accepted for their welfare by humans. Where it is accepted that this degree of 'companionship' will vary by species, the expression 'companion animal' acknowledges the important role all such animals play in our society.

Note: Disclaimer

This publication has been provided free of charge and has not been provided under the terms of any contract, express or implied. The New Zealand Companion Animal Council Inc., Publicis Life Brands and their representatives have prepared this publication on the basis of information available to them. In doing so, the New Zealand Companion Animal Council Inc., Publicis Life Brands and their representatives accept no legal responsibility for the publication's contents. To the fullest extent allowed by law, the New Zealand Companion Animal Council Inc., Publicis Life Brands and their representatives exclude all liability in respect of the information and opinions expressed in this publication.

Copyright ©

All copyright subsisting in the contents of this publication is owned by the New Zealand Companion Animal Council Inc. and may not be reproduced without the prior consent of the New Zealand Companion Animal Council Inc. Where permission is granted, it will be subject to the requirement that the New Zealand Companion Animal Council Inc. is acknowledged on any reproduced or quoted material, whether in whole or in part.

New Zealand Companion Animal Council Inc.

www.nzcac.org.nz

Patron - Bob Kerridge

Publicis Life Brands

This report has been compiled by Publicis Life Brands, with authorship attributed to Justine Mackay, BSc (Hons).

CONTENTS

| | |
|---|-----------|
| 1. INTRODUCTION | 5 |
| 1.1. Report context | |
| 1.2. Sources | |
| 2. EXECUTIVE SUMMARY | 7 |
| 2.1. Ownership summary | |
| 2.2. Trends | |
| 2.3. Expenditure on companion animals | |
| 3. COMPANION ANIMAL POPULATION | 10 |
| 3.1. Population summary | |
| 3.2. Population breakdown | |
| 3.2.1. Households | |
| 3.2.2. Urban versus regional | |
| 3.2.3. Ethnic groups | |
| 3.2.4. Primary responsibility for pet care | |
| 3.3. International comparison | |
| 3.3.1. Trends in Australia | |
| 3.3.2. Trends in the USA | |
| 3.3.3. Trends in the UK | |
| 3.3.4. Trends in Europe | |
| 4. WHAT COMPANION ANIMAL OWNERS SAY | 17 |
| 4.1. Reasons for acquiring a companion animal | |
| 4.2. Where companion animals are sourced from | |
| 4.3. Trusted sources of information | |
| 4.4. The role of companion animals | |
| 5. CONSUMER EXPENDITURE ON COMPANION ANIMALS | 20 |
| 5.1. Summary | |
| 5.2. Summary by companion animal type | |
| 5.2.1. Cats | |
| 5.2.2. Dogs | |
| 5.2.3. Horses and ponies | |
| 5.3. Pet food | |
| 5.3.1. Non-prepared cat and dog food | |
| 5.3.2. Prepared cat food | |
| 5.3.3. Prepared dog food | |
| 5.3.4. Other Pet food | |
| 5.4. Pet care products | |
| 5.4.1. Cat litter | |
| 5.4.2. Other pet products | |

- 5.4.3. Healthcare products
- 5.5. Veterinary services
 - 5.5.1. Overview of the veterinary industry
 - 5.5.2. Expenditure on veterinary services
 - 5.5.3. De-sexing
- 5.6. Other pet care services
 - 5.6.1. Boarding, minding, day care and walking
 - 5.6.2. Micro-chipping and registration
 - 5.6.3. Animal training
 - 5.6.4. Clipping and grooming
 - 5.6.5. Insurance
 - 5.6.6. Registration and membership

6. THE HUMAN/ANIMAL BOND

44

- 6.1. History
- 6.2. Trusted companions
- 6.3. Children and the family
- 6.4. Social enablers
- 6.5. General health benefits
- 6.6. Companion animals and the elderly
- 6.7. Service animals
- 6.8. Therapy pets
 - 6.8.1. Dementia and Alzheimer’s patients
 - 6.8.2. Learning
 - 6.8.3. Recovery and rehabilitation
 - 6.8.4. Chronic disease and illness
 - 6.8.5. Mental health
- 6.9. The link between animal and human cruelty

7. EDUCATION

53

- 7.1. Youth at Risk
- 7.2. One of the Family
- 7.3. Other education

8. ABOUT THE NEW ZEALAND COMPANION ANIMAL COUNCIL

55

- 8.1. Codes of Welfare
- 8.2. The Companion Animal Register

9. REFERENCES AND SOURCES

58



1 INTRODUCTION

1.1 REPORT CONTEXT

New Zealand has an incredibly rich and vibrant history and culture, reflecting both its Maori and European heritage. This report seeks to gain an insight into both the role and importance of companion animals in the lives of New Zealanders and the size and scale of the pet care industry in the context of some of the broader challenges faced by New Zealand.

The last decade has borne witness to a changing economic landscape, both domestically and internationally. New Zealand enjoyed a booming economic period following the turn of the century through to March 2008, when the economy entered recession ahead of the effects of the global financial crisis (GFC) being felt later in the year. The economy contracted by 3.3% during the recession, which lasted until July 2009 (The Treasury, 2010).

Most recently the nation faced the devastation of the Canterbury earthquake in February 2011 and is now working hard to meet the challenges of recovery and rebuilding.

In terms of how New Zealanders view the welfare of companion animals, a recent survey undertaken by the Ministry of Agriculture and Forestry showed that 45% of people believed that welfare and protection of companion animals in New Zealand is better than overseas, with a further 38% believing it to be about the same (Ministry of Agriculture and Forestry, 2011).

The same survey showed that 43% of people believe that not enough importance is placed on animal welfare and protection, with over half of all participants expressing that they would like to be more informed about animal welfare in New Zealand (Ministry of Agriculture and Forestry, 2011).

The New Zealand Companion Animal Council (NZCAC) compiled this report using data and information sourced from internationally recognised research companies, New Zealand Government Departments and Agencies, international pet industry bodies and industry associations and sources.

It is clear from the findings of this report that companion animals play an important role in the everyday lives of most New Zealanders today.

1.2 SOURCES

NZCAC commissioned Galaxy Research to undertake a survey of pet owners in New Zealand. The study was conducted online amongst a representative sample of adults

aged 18 years and older. A total of 1,570 respondents commenced the survey. Quotas were used to ensure that these respondents were distributed throughout New Zealand in proportion to the population. Of the 1,570 starters there were 1,062 pet owners. Fieldwork commenced on Thursday 7 April and was completed on Monday 11 April, 2011.

Galaxy Research is a full service, strategically focused market research company. Run by practitioners with over 20 years of marketing and research experience, Galaxy Research builds strategic insight and innovation upon a solid understanding of research theory.

Euromonitor International is a world leader in strategy research for consumer markets, focussing on industry, country, company and consumer lifestyle research from a social-economic context to intimate detail on the smallest products or markets.

The Datamonitor Group is a world-leading provider of premium global business information, delivering independent data, analysis and opinion across an extremely broad range of industries including Consumer Packaged Goods, Energy and Sustainability, Pharmaceutical and Healthcare and Retail.

Publicis Life Brands is a specialist health communication agency working within human and animal health markets. Its expert teams provide advertising, medical communications and PR solutions, from strategic and communications planning through to the delivery of a full range of tactical executions.

Although Publicis Life Brands operate as a boutique agency within the Australian market it also enjoys the benefits of being part of the world's largest healthcare communications network. This gives the company an unparalleled ability to draw upon global experience to support local project success.



2 EXECUTIVE SUMMARY

New Zealanders love and value their animals, and with a total companion animal population of 5 million, they outnumber people.

Companion animals fulfil an important role in the lives of individuals, households, families and communities. In today's fast paced world they offer relaxation and replenishment, facilitate social interactions and provide an abundance of pleasure and unconditional love.

Despite the economic downturn and constrained spending, New Zealand's pet owners placed a priority on their pets' health and well-being. This is not surprising considering the most recognised role of companion animals is as a member of the family. Through the recession, expenditure on premium pet food and healthcare products remained strong.

Looking at other, similar countries and regions, including Australia, the United States, the UK and Europe more broadly, New Zealand has the highest rate of pet ownership in the world, as well as the highest rate of cat ownership.

2.1 OWNERSHIP SUMMARY

In New Zealand 68% of households own some kind of pet, more than anywhere else in the world.

Cats are New Zealand's most popular companion animal, with almost half of all households owning an average of two cats. That's a total cat population of 1,419 million. New Zealand also has the highest rate of cat ownership in the world.

Nearly a third of all households own a dog, with a total population of 700,000.

Although cats and dogs are the most popular companion animals, they are outnumbered by fish. 11% of households own an average of nine fish; a total fish population of 1.678 million. The popularity of fish is not surprising considering the huge rise in apartment living and increased proportion of people renting the property they live in (Statistics New Zealand, 2010 and 2011).

Birds, rabbits, ponies and horses are also popular, along with a range of small mammals and reptiles.

2.2 TRENDS

The recession has had a significant impact on consumer behavior, with consumers tending to 'trade down' to less expensive alternatives. This significantly impacted value sales growth across key sectors within consumer goods, including pet care. The difference has been that in pet care, trading down tended to occur at the super-premium (Super-premium pet food is designed for pet health and diets such as life stage and lifestyle specific. Other niches include organic, natural, raw, and human-grade food. Super-premium brands are primarily sold through specialist channels including vet's offices) end of the market with consumers choosing premium products instead.

This is in complete contrast to other fast moving consumer goods markets, where trading down clearly had a negative impact on the premium end of the market.

This exceptional market performance clearly signifies that pet care is one of the most emotive categories outside of baby care and emphasises how important companion animals are in the lives of New Zealanders. In a time of increased financial pressure pet owners sought to prioritise the health and well-being of their companion animals, and if needed were prepared to choose cheaper alternatives for themselves before compromising on the taste and other benefits that their pets enjoy.

2.3 EXPENDITURE ON COMPANION ANIMALS

New Zealanders currently spend approximately \$1,252 billion on their companion animals a year. The biggest areas of expenditure are pet food, veterinary services and healthcare products.

Estimated Total Annual Expenditure on Companion Animals

| Area of expenditure | Expenditure (\$m) | % of Total |
|-------------------------|-------------------|-------------|
| Pet Food | 766.2 | 48% |
| Pet Care Products | 255.3 | 16% |
| Veterinary services | 358.1 | 23% |
| Other pet care services | 204.3 | 13% |
| Total | 1,583.8 | 100% |

Source: Euromonitor International, 2010; Datamonitor, 2011; Galaxy Research, 2011; Industry estimates, 2011

Notes: Pet food and pet care product expenditure includes all pets; pet care services includes expenditure on cats, dogs and horses/ponies only.

It is estimated that pet owners spend \$766.2m a year on pet food, which accounts for 48% of all expenditure.

Collectively, cats and dogs account for 90% of all expenditure. The average cat owning household has around 2 cats and spends approximately \$838 per year caring

for their cats. It costs more on average to look after a dog, and the average dog owning household spends \$1,571 per year on their dog(s).

3 COMPANION ANIMAL POPULATION

3.1 POPULATION SUMMARY

New Zealand is a nation of pet lovers and with nearly 5 million companion animals, they outnumber people. 68% of New Zealand households own some kind of pet, more than anywhere else in the world.

Cats are the most popular companion animal, with nearly half of all households owning an average of 2 cats. The total cat population is 1.419 million.

Dogs are the next most popular companion animal, with 29% of households owning a dog. There are 700,000 dogs in New Zealand.

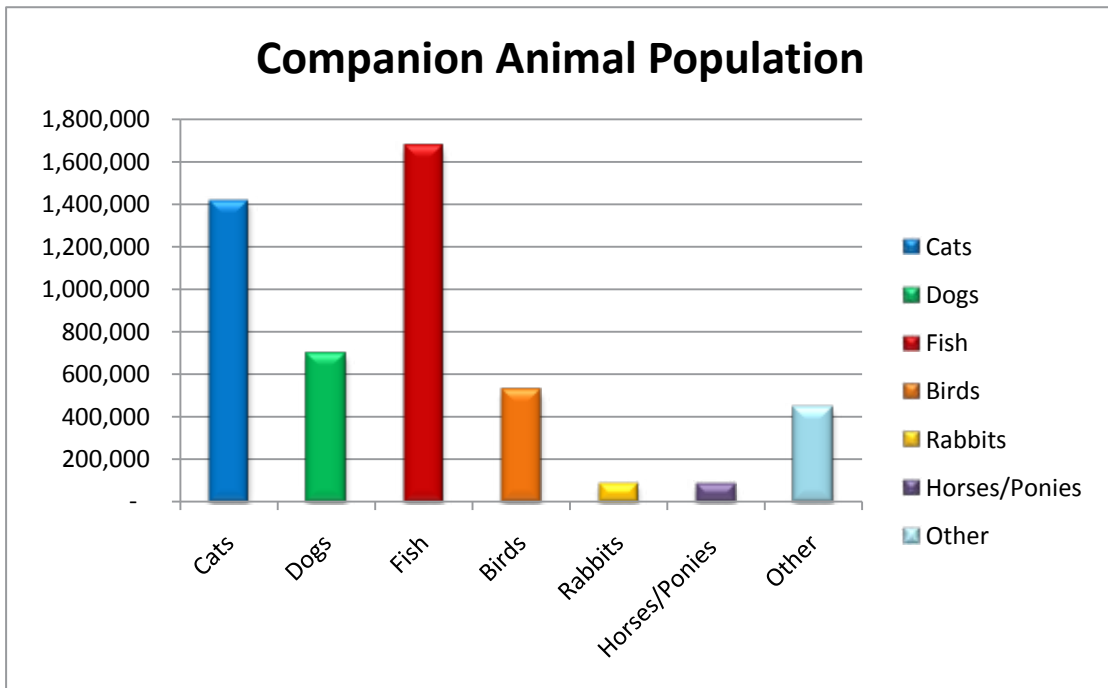
Although cats and dogs are the most popular companion animals, at 1.678 million, fish are the most numerous. 11% of households own an average of nine fish. The popularity of fish is not surprising considering the huge rise in apartment living and increased proportion of people renting the property they live in (Statistics New Zealand, 2010 and 2011). According to Statistics New Zealand, the number of people living in apartment dwellings quadrupled in the 10 years between the 1996 and 2006 censuses (Statistics New Zealand, 2010).

Birds, rabbits, ponies and horses are also popular, along with a range of small mammals and reptiles.

New Zealand Companion Animal Population Breakdown, 2011

| Companion Animal Type | Household penetration | Average number in home | Total (000's) |
|-----------------------|-----------------------|------------------------|---------------|
| Cats | 48% | 1.8 | 1.419 |
| Dogs | 29% | 1.5 | 700 |
| Fish | 11% | 9.1 | 1,678 |
| Birds | 6% | 4.9 | 527 |
| Rabbits | 3% | 1.7 | 88 |
| Horses/ponies | 2% | 3.2 | 87 |
| Other | 5% | 4.9 | 446 |
| None | 32% | ~ | ~ |
| Total | 68% | | 4.945 |

Source: Galaxy Research, 2011



3.2 POPULATION BREAKDOWN

3.2.1 Households

There are 1.672 million households in New Zealand with 68% (1.137 million homes) owning at least one companion animal.

New Zealand has the highest rate of cat ownership in the world. 48% of all households (806,000 homes) own at least one cat. 28% of households own one cat and 20% own two or more cats.

Although dogs are popular companion animals, the proportion of households owning a dog is considerably lower at 29% (479,000 homes). 21% of households own one dog and 8% own two or more dogs.

With a total population of 1.7 million, fish are the most numerous pets. Around 1 in 10 households own on average 9 fish. Birds are also popular, with the typical bird owning household (6% of all households) having around 5 birds. One of the main reasons for the popularity of both fish and birds is that they can more easily be kept in apartments and rental properties.

3.2.2 Urban versus Regional

The current estimated resident population of New Zealand is 4.4 million people (Statistics New Zealand, 2011). The population split between urban and rural areas is 86% and 14% respectively.

The companion animal population breakdown across urban and rural areas follows a similar breakdown, with higher pet ownership rates in urban areas compared with rural areas.

As would be expected, there is one significant exception to this – ownership of ponies and horses. The vast majority (85%) of horses and ponies are owned by people living the rural areas.

The rate of ownership of ‘other’ types of companion animals is also much higher in urban areas, with people in these areas owning 60% of ‘other’ companion animals.

Companion Animal Population Breakdown by Urban and Rural Areas (%)

| Companion Animal Type | Urban | Rural |
|-----------------------|-------|-------|
| Cats | 77% | 23% |
| Dogs | 71% | 29% |
| Fish | 81% | 19% |
| Birds | 74% | 26% |
| Rabbits | 78% | 22% |
| Horses/Ponies | 15% | 85% |
| Other | 60% | 40% |

Source: Galaxy Research, 2011

3.2.3 Ethnic Groups

As a whole, companion animal ownership across New Zealand’s ethnic groups is quite similar. There are a few noticeable differences, the biggest of which relates to cat ownership. Cats are most popular with ‘NZ Europeans’, with 53% of the population group owning a cat, which is 5% higher than the national average. At nearly the national average, 45% of ‘Maori’ households own at least one cat. However only 30% of ‘Other’ households own a cat, which is 18% lower than the average.

When it comes to dog ownership, ‘Maori’ households are more likely to own a dog than ‘NZ European’ households with ownership rates being 33% and 29% respectively. Again, dog ownership with ‘Other’ households is lower at 25%.

Overall, the highest rate of companion animal ownership is amongst ‘NZ Europeans’ at 72%, followed by ‘Maori’ at 65% and ‘Other’ households at 53%.

Companion Animal Population Breakdown by Ethnic Group (%)

| Companion Animal Type | NZ European | Maori | Other |
|-----------------------|-------------|-------|-------|
| Cats | 53% | 45% | 30% |
| Dogs | 29% | 33% | 25% |
| Fish | 11% | 14% | 13% |
| Birds | 6% | 6% | 8% |
| Rabbits | 3% | 2% | 3% |
| Horses/Ponies | 2% | 3% | 1% |
| Other | 6% | 3% | 4% |
| Total | 72% | 65% | 53% |

Source: Galaxy Research, 2011

3.2.4 Primary Responsibility for Care

No matter what the companion animal, it is typically the female household head that takes responsibility for pet food buying and feeding duties.

3.3 INTERNATIONAL COMPARISON

An international comparison provides an insight into pet ownership statistics and trends in similar countries and regions around the world. Australia, the United Kingdom and the United States are chosen for comparative purposes because of their many similarities to New Zealand. Trends across Europe are also considered.

New Zealand has the highest rate of pet ownership in the world at 68%, followed by the USA at 62%. New Zealand also has the highest rate of cat ownership. The next highest cat ownership rate is in the USA, which trails by quite a way (15%) with only 33% of US households owning a cat.

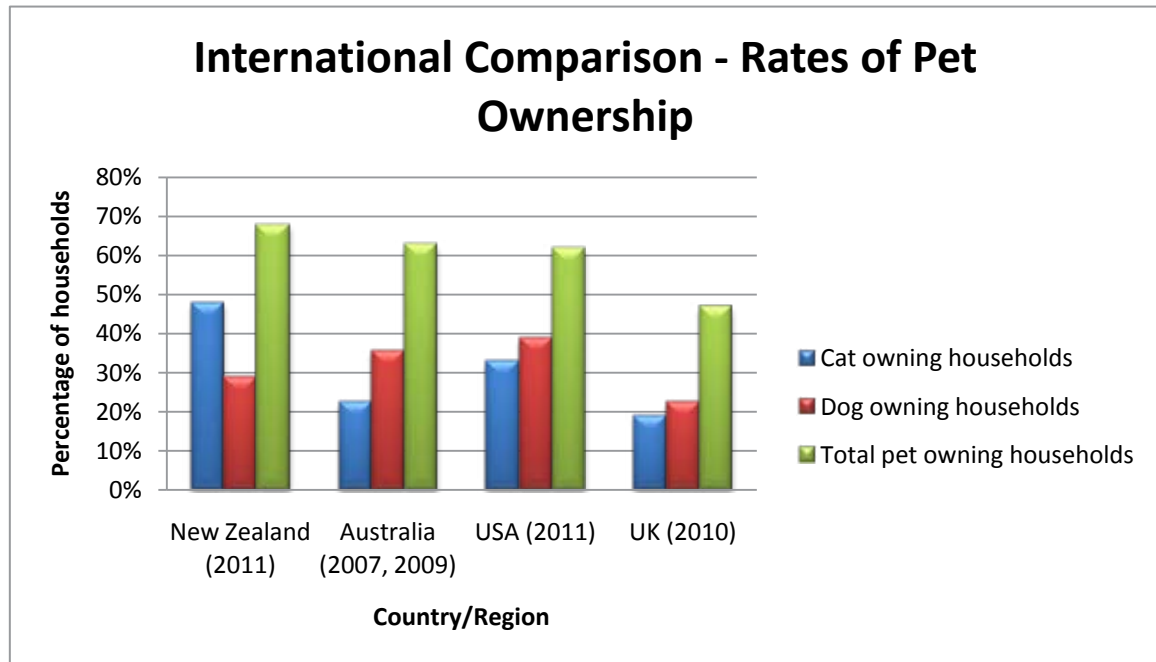
International Comparison - Rates of Pet Ownership (% households)

| Companion Animal Type | New Zealand (2011) | Australia (2009) | USA (2011) | UK (2010) |
|-----------------------------|--------------------|------------------|------------|-----------|
| Cat owning households | 48% | 23% | 33% | 19% |
| Dog owning households | 29% | 36% | 39% | 23% |
| Total pet owning households | 68% | 63%* | 62% | 47% |

Note: Data available are for different years

*Most recent data available is for 2006.

Source: Galaxy Research, 2011; Australian Companion Animal Council, 2010; Australian Companion Animal Council, 2006; American Pet Products Association (USA), 2011; Pet food Manufacturers Association (UK), 2011



3.3.1 Trends in Australia

According to the Australian Companion Animal Council (ACAC), there were an estimated 15 million (excluding fish) companion animals in Australia in 2009.

With 36% of households owning a dog and 23% of households owning a cat, Australia has one of the highest incidences of pet ownership per capita in the world (Euromonitor International, 2009).

Since 1994, companion animal population numbers have fluctuated somewhat, with the total number of cats decreasing from 2.9 million in 1994 to 2.24 million in 2007, and then increasing by 4.9% to 2.4 million in 2009.

Following a slight increase in dog numbers from 1994 to 1998, the total number of dogs has decreased by 17% from 4 million 1998 to 3.4 million in 2009.

3.3.2 Trends in the USA

The American Pet Products Association (APPA) undertakes a National Pet Owners Survey every two years. The results of the 2011/2012 survey show that 62% of all households in the USA own a pet, a total of 72.9 million homes.

The first survey was undertaken in 1988 and over the last twenty years, the proportion of companion animal owning households has grown from 56% to 62% in 2011.

As in New Zealand, there are more cats than dogs in the USA, with cat population numbers increasing by 36% from 64 million in 1994 to 86.4 million in 2011. 33% of households in the USA own a cat.

The number of dogs also grew strongly, increasing 40% from 55 million in 1994 to 78 million in 2011. The total number of dog owning households is 39%.

From 2010 to 2011 expenditure on companion animals is estimated to increase by US\$2.5 billion. The industry has seen similar year on year growth over the last 15 years. This is significant because it shows that pet owners have continued to provide for their companions through the global financial crisis and resulting recession.

According to the President of APPA, the findings of the survey show that people increasingly consider pets as an important part of the family. As companion animal ownership figures have risen, so have the number of new and innovative products and services available to pet owners in the USA.

3.3.3 Trends in the UK

Research undertaken by the Pet Food Manufacturers' Association (PFMA) shows that in 2010 the total number of pets in the UK was 24 million (excluding fish). Around 47% of all households, or 13 million homes, own a pet.

Whilst the population of cats has increased from 7.2 million in 1994 to around 8 million in 2010 as the population has increased, the percentage of households with pets has decreased from 22% to 19% during the same period.

A similar trend can be seen with dog ownership. The total number of dogs has increased from 6.7 million in 1994 to around 8 million in 2010, equaling the number of cats. During the same time, the percentage of households with dogs has decreased from 25% to 23%.

Research conducted by the PFMA in 2008 reports that the top five reasons for owning a cat or dog in the UK were:

- Companionship
- Owner/partner/child always wanted one
- Owner believes that they are easy to look after
- They were rescued
- Fits in with lifestyle

The same research showed that the top five sources for acquiring a pet were:

- Friend/acquaintance
- Rescue Centre
- Pet shop
- Recommended breeder

- Private ad

3.3.4 Trends in Europe

According to the European Pet Food Industry Federation (FEDIFA) there are 62 million pet-owning households and 191 million (excluding aquaria) pets in Europe.

Dogs are slightly more popular across Europe than cats, with dog numbers totaling 60 million, and cat numbers totalling 56 million. The remaining 84 million pets are made up of birds (35 million), aquaria (9 million) and other pets (40 million).

4 WHAT PET OWNERS SAY

4.1 REASONS FOR ACQUIRING A COMPANION ANIMAL

The main reason that people in New Zealand acquire cats and dogs is for companionship. This applies to 51% of cat owners and 53% of dog owners. For families with children, 'fun for children' is an important reason.

In contrast, fish are more likely to be a hobby (29%) or a source of relaxation (24%). Horses are typically a hobby (42%), albeit a more expensive one and rabbits are more likely to be acquired to provide fun for children (28%).

Reasons for Acquiring a Companion Animal

| Reason | Cats | Dogs | Fish | Birds | Rabbits | Pony/ Horse |
|------------------------------|------|------|------|-------|---------|----------------|
| Companionship | 51% | 53% | 3% | 25% | 10% | ~ |
| Fun for the children | 15% | 12% | 20% | 19% | 28% | 8% |
| Education for children | 1% | 1% | 3% | 1% | 4% | 4% |
| Give children responsibility | 6% | 3% | 7% | 8% | 16% | ~ |
| Relaxation | 7% | 3% | 24% | 12% | 5% | 3% |
| Security | 0% | 8% | ~ | ~ | ~ | ~ |
| Encourage exercise | ~ | 4% | ~ | 1% | 2% | 4% |
| To breed/enter competitions | 0% | 2% | 0% | ~ | 2% | 3% |
| Hobby | 1% | 2% | 29% | 12% | 15% | 42% |
| Some other reason | 20% | 12% | 15% | 22% | 18% | 35% |

Note: Where '~' is used there were no responses for this option. '0%' represents a very low number of responses that on rounding round to '0'.

Source: Galaxy Research, 2011

4.2 WHERE COMPANION ANIMALS ARE SOURCED FROM

The most common ways of acquiring a cat are from friends or neighbours (31%), the SPCA or an animal shelter (27%) or finding them as a stray (19%).

Dogs are much more likely to be acquired from a breeder (43%) or friends and neighbours (24%).

The large majority of fish are purchased from pet shops (71%). Birds and rabbits are most commonly acquired through a pet shop, breeder or from a friend/neighbour.

In contrast, horses and ponies are usually sourced from a breeder (28%) or friend/neighbour (27%). A relatively large proportion of horses and ponies are inherited (20%).

Where Companion Animals are Sourced from

| Source | Cats | Dogs | Fish | Birds | Rabbits | Pony/ Horse |
|---------------------|------|------|------|-------|---------|----------------|
| Pet shop | 13% | 11% | 71% | 41% | 27% | ~ |
| Breeder | 8% | 43% | 8% | 31% | 28% | 28% |
| SPCA/animal shelter | 27% | 13% | 1% | 3% | 6% | 3% |
| Friend/Neighbour | 31% | 24% | 16% | 26% | 22% | 27% |
| Found/Stray | 19% | 3% | 1% | 7% | 6% | 4% |
| Inherited | 9% | 6% | 10% | 4% | 6% | 20% |
| Vet | 3% | 1% | 2% | 3% | 2% | ~ |
| Other | 10% | 14% | 4% | 12% | 10% | 43% |

Note: Figures will not total 100% because households that have two or more of a type of pet may have sourced them from different places.

Note: Where '~' is used there were no responses for this option. '0%' represents a very low number of responses that on rounding round to '0'.

Source: Galaxy Research, 2011

4.3 TRUSTED SOURCES OF INFORMATION

Pet owners were asked who or what they consider to be the best sources of information about pet related issues.

Vets are considered to be the best source of pet related information (73%). This is followed by the internet (58%), pet shops (36%) and the SPCA (35%).

Cat owners (38%) are more likely to consider the SPCA as a source of information than dog owners (29%).

Best Sources of Information about Companion Animals

| Source of Information | Cats | Dogs | Fish | Birds | Rabbits | Pony/ Horse | Other | Total |
|----------------------------|------|------|------|-------|---------|----------------|-------|------------|
| Pet shops | 35% | 33% | 53% | 46% | 42% | 7% | 28% | 36% |
| Breeders | 10% | 18% | 12% | 18% | 17% | 18% | 10% | 13% |
| SPCA | 38% | 29% | 31% | 31% | 30% | 20% | 24% | 35% |
| NZCAC | 2% | 3% | 4% | 4% | 0% | 4% | 3% | 3% |
| Vets | 76% | 75% | 57% | 62% | 69% | 63% | 61% | 73% |
| Family/Friends/Neighbours | 22% | 25% | 29% | 31% | 22% | 42% | 27% | 23% |
| The internet | 58% | 58% | 68% | 64% | 68% | 59% | 57% | 58% |
| Books/The library | 25% | 23% | 32% | 29% | 36% | 36% | 28% | 24% |
| Animal shows on television | 18% | 19% | 15% | 19% | 16% | 20% | 13% | 17% |
| None of the above | 1% | 1% | 1% | 2% | 0% | 3% | 2% | 1% |

Source: Galaxy Research, 2011

4.4 THE ROLE OF COMPANION ANIMALS

When pet owners in New Zealand were asked what role their companion animals play in their household, the vast majority of companion animals are considered to be members of the family.

This description applies to 83% of cats, 77% of dogs, 53% of rabbits and 52% of birds. This speaks volumes about just how important companion animals are in New Zealanders' lives.

Role of the Companion Animal in the Household

| Role | Cats | Dogs | Fish | Birds | Rabbits | Pony/ Horse |
|----------------------|-------------|-------------|-------------|--------------|----------------|------------------------|
| Member of the family | 83% | 77% | 20% | 52% | 53% | 34% |
| Trusted companion | 10% | 16% | 5% | 8% | 11% | 14% |
| Entertainment/hobby | 2% | 2% | 60% | 27% | 28% | 29% |
| Working animal | 1% | 3% | 0% | 7% | 2% | 19% |
| Some other role | 4% | 2% | 15% | 7% | 6% | 4% |

Source: Galaxy Research, 2011



5 CONSUMER EXPENDITURE ON COMPANION ANIMALS

5.1 SUMMARY

New Zealanders spend \$1.584 billion a year on their companion animals. The biggest areas of expenditure are pet food, veterinary visits and healthcare products.

A significant amount of food eaten by pets is prepared at home and consists of meat bought from butcheries, leftovers or other homemade food. This is termed 'non-prepared pet food', whereas manufactured and other pre-packaged pet food bought from grocery retailers, veterinarians, pet shops etc is termed 'prepared pet food'. The difference between the two is known as the prepared gap (Euromonitor International, 2010).

It is estimated 45% of food eaten by cats and 29% of food eaten by dogs is prepared, which means that the majority of food eaten by cats and dogs falls into the non-prepared category.

Expenditure on non-prepared pet food has been estimated and is based on total reported expenditure on pet food (NZCAC Pet Owner Survey, 2011), sales of prepared pet food (Euromonitor International, 2010) and industry estimates.

Pet food accounts for 48% of all expenditure, with pet owners spending an estimated total of \$766m a year. The next biggest area of expenditure is veterinary services, which accounts for 23% of expenditure, or \$358m.

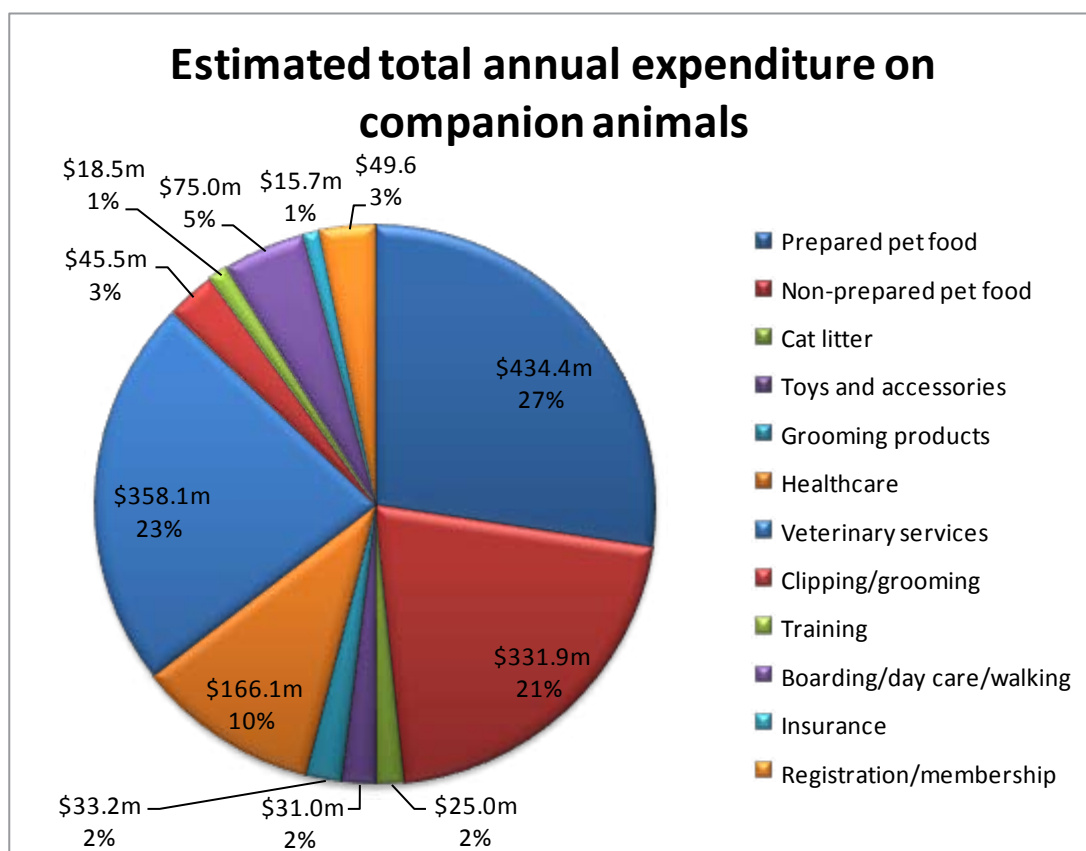
Expenditure on healthcare products, including external parasite treatments, supplements, dental products, worming treatments and other cross-segment products totals \$166m, which makes up 10% of all expenditure.

Estimated Total Annual Expenditure on Companion Animals

| Area of expenditure | Expenditure (\$m) | % of Total |
|---------------------------|-------------------|-------------|
| Prepared pet food | 434.4 | 27% |
| Non-prepared pet food | 331.9 | 21% |
| Cat litter | 25.0 | 2% |
| Toys and accessories | 31.0 | 2% |
| Grooming products | 33.2 | 2% |
| Healthcare | 166.1 | 10% |
| Veterinary services | 358.1 | 23% |
| Clipping/grooming | 45.5 | 3% |
| Training | 18.5 | 1% |
| Boarding/day care/walking | 75.0 | 5% |
| Insurance | 15.7 | 1% |
| Registration/membership | 49.6 | 3% |
| Total | 1,583.8 | 100% |

Source: Euromonitor International, 2010; Datamonitor, 2011; Galaxy Research, 2011; Industry estimates, 2011

Notes: Pet food and pet care product expenditure includes all pets; pet care services includes expenditure on cats, dogs and horses/ponies only. 'Grooming products' includes expenditure on accessories for horses/ponies.



5.2 SUMMARY BY COMPANION ANIMAL TYPE

Cats and dogs account for 90% of all expenditure on companion animals in New Zealand.

Although cats are the most popular companion animal, they are less expensive to care for than dogs and account for 43% of all expenditure, whereas dogs, despite having roughly half the population size, comprise 48% of all expenditure.

As would be anticipated, horses and ponies are the most expensive companion animals to care for and on average cost horse/pony owning households \$2,865 per year.

Estimated Expenditure on Companion Animals by Type

| Companion Animal | \$ Million | % Total | Average spend per household (\$) | Average spend per animal (\$) |
|------------------------|----------------|-------------|----------------------------------|-------------------------------|
| Cats | 675.6 | 43% | 838 | 466 |
| Dogs | 752.4 | 48% | 1,571 | 1,047 |
| Horses and ponies | 77.4 | 5% | 2,865 | 895 |
| Other animals | 39.7 | 3% | ~ | ~ |
| Cross-segment products | 38.8 | 2% | ~ | ~ |
| Total | 1,583.8 | 100% | ~ | ~ |

Source: Euromonitor International, 2010; Datamonitor, 2011; Galaxy Research, 2011, Industry estimates, 2011

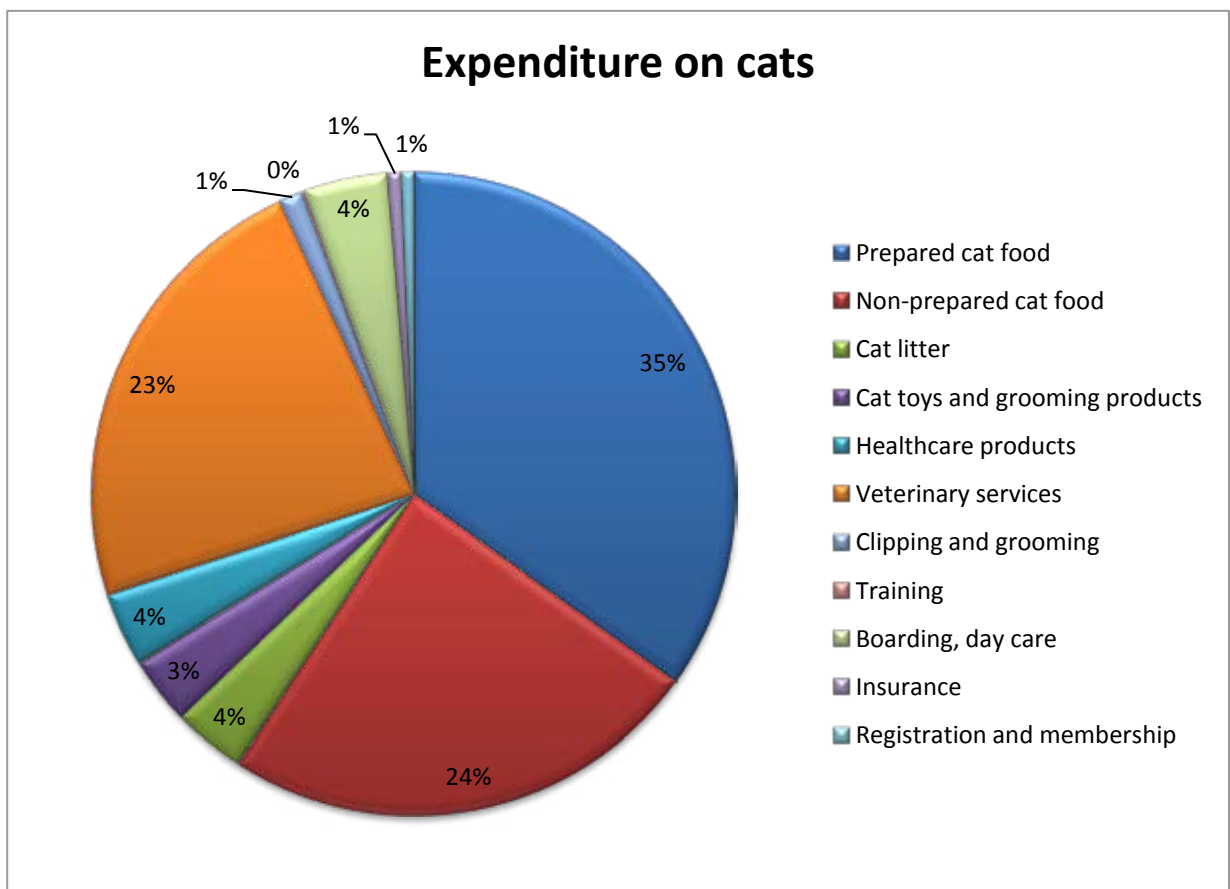
5.2.1 Cats

The average cat owning household spends \$838 per year looking after its cats, with the average cost per cat being \$466. Cat food and veterinary services make up the majority of these costs at 59% and 23% respectively.

Estimated Annual Expenditure on Cats

| Cats | \$ Million | % Total | Average spend per household (\$) | Average spend per animal (\$) |
|--------------------------------|--------------|-------------|----------------------------------|-------------------------------|
| Prepared cat food | 235.7 | 35% | 292 | 162 |
| Non-prepared cat food | 164.1 | 24% | 204 | 113 |
| Cat litter | 25.0 | 4% | 31 | 17 |
| Cat toys and grooming products | 22.7 | 3% | 28 | 16 |
| Healthcare products | 25.0 | 4% | 31 | 17 |
| Veterinary services | 157.2 | 23% | 195 | 108 |
| Clipping and grooming | 8.1 | 1% | 10 | 6 |
| Training | 0.8 | 0% | 1 | 1 |
| Boarding, day care | 28.2 | 4% | 35 | 19 |
| Insurance | 4.8 | 1% | 6 | 3 |
| Registration and membership | 4.0 | 1% | 5 | 3 |
| GRAND TOTAL | 675.6 | 100% | 838 | 466 |

Source: Euromonitor International, 2010; Datamonitor, 2011; Galaxy Research, 2011, Industry estimates, 2011



Most new kitten or cat owners will purchase a range of basic products that are needed to care for their pet. The table below represents the average prices for these products.

Indicative start up costs for a kitten or cat

| Item | Average cost (\$) |
|--------------------------------|-------------------|
| Bowl - plastic | 5-8 |
| Bowl - metal or ceramic | 12-25 |
| Collar | 9-29 |
| Cat harness | 20-30 |
| Name tag | 6-13 |
| Litter tray | 10-20 |
| Enclosed litter tray | 80 |
| Scratching post | 55-100 |
| Cat furniture/scratching posts | up to 450 |
| Cat bed | 30-80 |
| Brush | 14-30 |
| Small toy | 2-15 |
| Carry cage | 55-130 |
| Bed | 34-130 |

Source: Various retailers, 2011
(Excludes de-sexing and microchipping)

5.2.2 Dogs

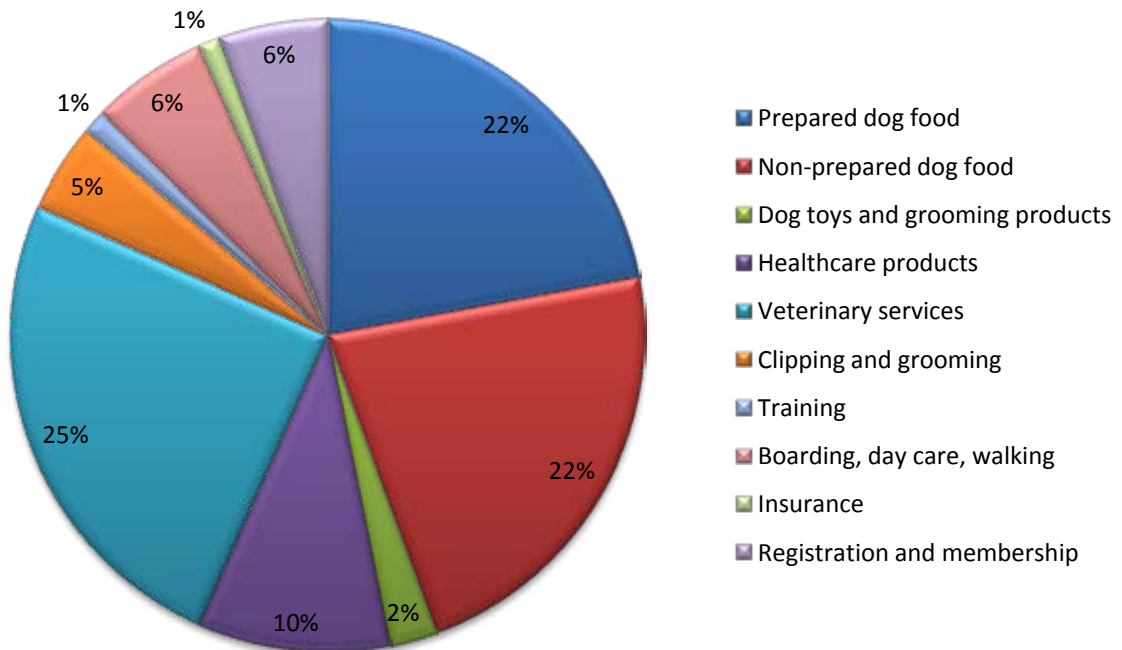
The cost of looking after a dog is considerably more than a cat, with the average dog owning household spending \$1,571 a year caring for their dogs. The average cost per dog is \$1,047. Food, veterinary services and healthcare products make up the bulk of this cost, however dog owners also spend more on other costs, such as registration and membership; boarding, day care and walking; and clipping and grooming.

Estimated Annual Expenditure on Dogs

| Dogs | \$ Million | % Total | Average spend per household (\$) | Average spend per animal (\$) |
|--------------------------------|--------------|-------------|----------------------------------|-------------------------------|
| Prepared dog food | 166.1 | 22% | 347 | 231 |
| Non-prepared dog food | 167.8 | 22% | 350 | 234 |
| Dog toys and grooming products | 18.7 | 2% | 39 | 26 |
| Healthcare products | 73.6 | 10% | 154 | 102 |
| Veterinary services | 188.2 | 25% | 393 | 262 |
| Clipping and grooming | 34.0 | 5% | 71 | 47 |
| Training | 9.1 | 1% | 19 | 13 |
| Boarding, day care, walking | 45.0 | 6% | 94 | 63 |
| Insurance | 8.1 | 1% | 17 | 11 |
| Registration and membership | 41.7 | 6% | 87 | 58 |
| GRAND TOTAL | 752.4 | 100% | 1,571 | 1,047 |

Source: Euromonitor International, 2010; Datamonitor, 2011; Galaxy Research, 2011, Industry estimates, 2011

Expenditure on dogs



Most new puppy or dog owners will need to buy a range of basic products care for their pet. The table below represents the average prices for these products. Prices will vary depending on the size of the dog.

Indicative start up costs for a puppy or dog

| Item | Average cost (\$) |
|-------------------------|-------------------|
| Bowl - plastic | 6-8 |
| Bowl - metal or ceramic | 12-35 |
| Collar | 20-35 |
| Harness | 20-35 |
| Lead | 25-40 |
| Retractable lead | 38-130 |
| Name tag | 12-20 |
| Dog bed | 22-170 |
| Dog kennel (medium) | 200-400 |
| Dog coat | 30-86 |
| Brush | 16-36 |
| Small toy | 6-40 |

Source: Various retailers, 2011
(Excludes de-sexing and microchipping)

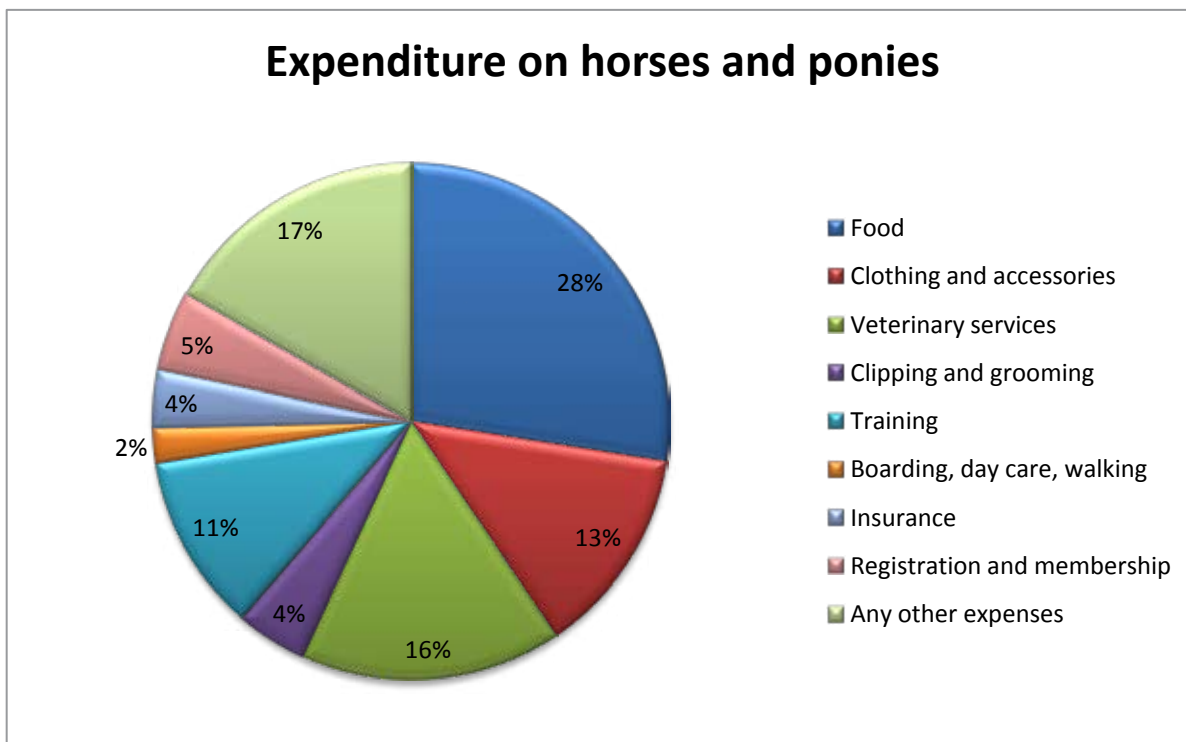
5.2.3 Horses and Ponies

As might be anticipated, the most expensive companion animals are horses and ponies, with the average horse/pony owning household spending \$2,865 per year caring for their animals. Food, veterinary services, clothing and accessories, and training make up the majority of the cost.

Estimated Annual Expenditure on Horses and Ponies

| Horses and Ponies | \$ Million | % Total | Average spend per household (\$) | Average spend per animal (\$) |
|-----------------------------|-------------|-------------|----------------------------------|-------------------------------|
| Food | 21.3 | 28% | 788 | 246 |
| Clothing and accessories | 10.1 | 13% | 373 | 117 |
| Veterinary services | 12.6 | 16% | 468 | 146 |
| Clipping and grooming | 3.5 | 4% | 128 | 40 |
| Training | 8.6 | 11% | 317 | 99 |
| Boarding, day care, walking | 1.8 | 2% | 65 | 20 |
| Insurance | 2.8 | 4% | 102 | 32 |
| Registration and membership | 3.9 | 5% | 143 | 45 |
| Any other expenses | 13.0 | 17% | 481 | 150 |
| Total | 77.4 | 100% | 2,865 | 895 |

Source: Galaxy Research, 2011



5.3 PET FOOD

In New Zealand, pets are viewed as members of the family and valued companions. This has had a significant impact on the pet food market. Through the recession there were two areas of the pet food market that far outperformed all others – cat and dog treats, and premium cat and dog food. This was in complete contrast to other types of fast moving consumer good (FMCG) products, making pet food one of the most emotive categories outside baby care.

During the recession and subsequent recovery period, pet owners in New Zealand have continued to provide for their companion animals with food and treats, not wanting to compromise on taste and other benefits by selecting cheaper alternatives, preferring to first select cheaper alternative for themselves if the need arose (Euromonitor International, 2010).

It is clear that pet owners are prioritising the health and well-being of their companion animals, extending their own experience of eating a healthy and balanced diet. This has seen widespread demand for pet food with natural and organic ingredients that is free from artificial ingredients (Euromonitor International, 2010).

Whilst ‘trading down’ was seen, it was largely at the expense of the super-premium segment.

5.3.1 Non-prepared Cat and Dog Food

As outlined, the majority of food eaten by both cats and dogs falls into the non-prepared category of pet food, which includes any food that has not been prepared and packaged as pet food, such as meat bought from the butcher, leftovers or other homemade food.

According to Euromonitor International (2011), 55% of food eaten by cats falls into the non-prepared category. Total expenditure on cat food is estimated to be \$400m a year (NZCAC Pet Owner Survey, 2011). Based on known figures for expenditure on prepared cat food (Euromonitor International, 2010), the industry estimates that cat owners spend around \$164m a year on non-prepared cat food.

Looking at dog food, the proportion of non-prepared food eaten by dogs is considerably higher at 71%. It is estimated that the total expenditure on dog food is \$334m (NZCAC Pet Owner Survey, 2011). Based on known expenditure on prepared dog food (Euromonitor International, 2010), the industry estimates that dog owners spend around \$168m on non-prepared food for their dogs.

5.3.2 Prepared Cat Food

Since 2005, expenditure on prepared cat food has increased by 19%.

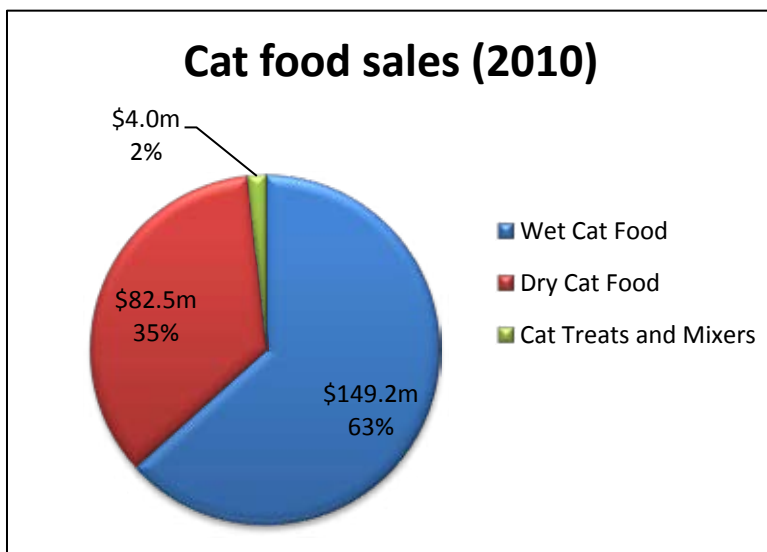
In 2010 pet owners spent \$235.7 million on cat food, which represents growth of 0.6% on the previous year. New Zealand is well on the way to recovering from the economic downturn, however growth in this market segment has yet to return to pre-recession rates.

Wet cat food accounted for 63% of sales, with dry cat food making up most of the remaining sales at 35%.

Cat Food Sales - 2005 - 2010 (NZ\$ million)

| Type | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Wet Cat Food | 130.3 | 136.3 | 141.5 | 146.9 | 148.2 | 149.2 |
| Dry Cat Food | 65.1 | 69.3 | 73.7 | 78.4 | 80.1 | 82.5 |
| Cat Treats and Mixers | 3.0 | 3.1 | 3.3 | 3.5 | 3.7 | 4.0 |
| Total | 198.3 | 208.7 | 218.5 | 228.8 | 232.0 | 235.7 |

Source: Euromonitor International, 2010

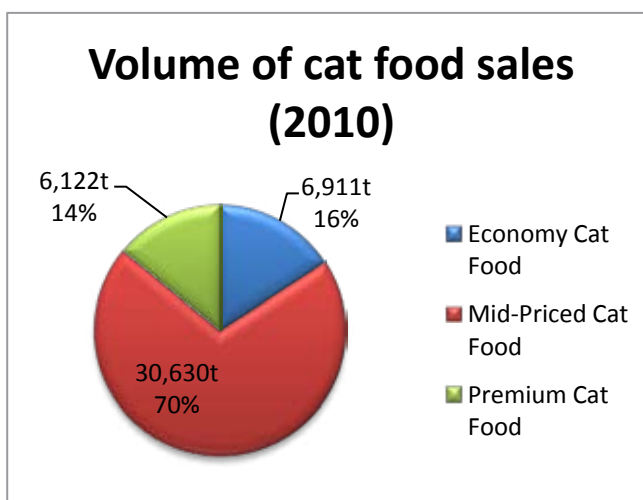
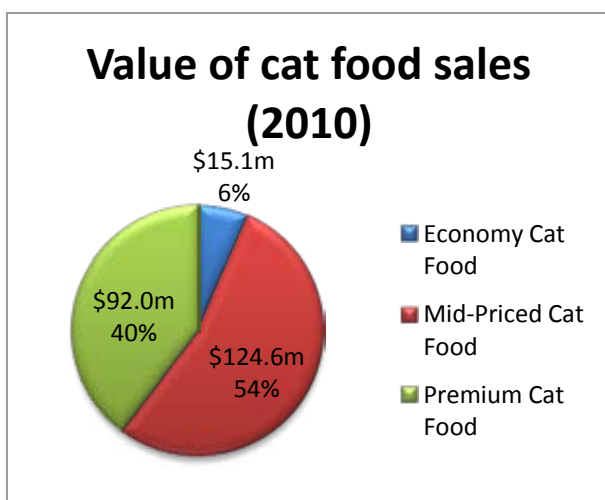


Whilst the impact of the recession can be seen on the pet food market, spending patterns confirm the value that pet owners place on their companion animals.

Across the economy, mid-priced and premium cat food ranges, it was the premium range that performed the best through the economic downturn. This is very interesting because it indicates that although cat owners were feeling the pressure of the recession, as a whole they prioritised spending on treats and more premium food for their companion animals.

Expenditure on premium cat food now makes up 40% of the cat food market (for wet and dry food) and accounts for 14% of the market by volume (tonnes). This is a 6% growth in value and 3% in volume compared to 2005.

By comparison, mid-priced cat food makes up 54% of the market by value and 70% by volume. Economy cat foods trail both of these, making up the remaining 6% of market by value and 16% by volume.



5.3.3 Prepared Dog Food

Expenditure on prepared dog food has increased by \$33.7m, or 25%, since 2005.

In 2010 dog owners spent \$166.1m on dog food. Although this does represent growth of 3.7% on the previous year, the rate of growth has not yet returned to pre-recession figures.

Despite accounting for the largest proportion of sales at 44%, wet dog food was the weakest performing category in 2010, as dog owners continued to change their preference to dry dog food, which is perceived to be nutritionally superior (Euromonitor International, 2010).

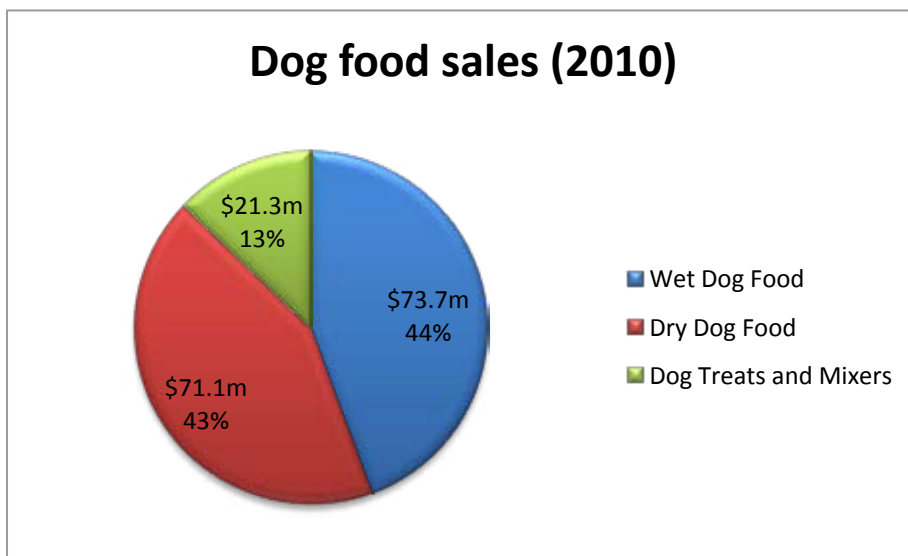
In 2005 the category breakdown for dog food looked more similar to that of cat food today. Wet dog food made up 53% of the market, and dry dog food 37%. Sales of dry dog food have grown by 46% since 2005, whilst wet dog food sales have only increased by 6%.

Manufactures have responded by withdrawing some products from the market. For example, Mars New Zealand withdrew some of the leading mid-priced chilled dog rolls in its portfolio, such as Lucky and Optimum in 2009 (Euromonitor International, 2010).

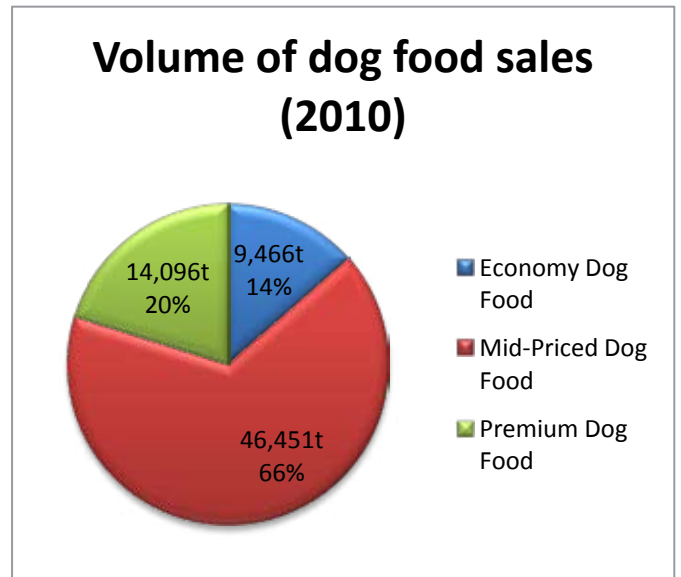
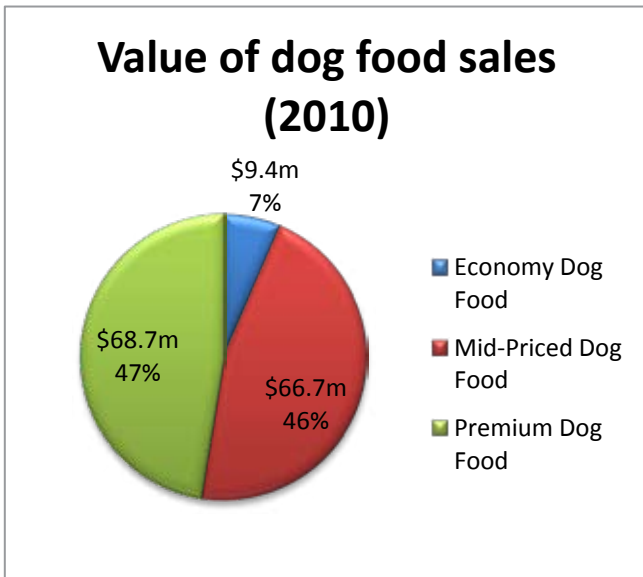
Dog Food Sales by Type - 2005 - 2010 (NZ\$ million)

| Type | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Wet Dog Food | 69.6 | 71.0 | 72.1 | 72.7 | 73.1 | 73.7 |
| Dry Dog Food | 48.7 | 53.6 | 58.8 | 63.8 | 67.5 | 71.1 |
| Dog Treats and Mixers | 14.0 | 15.4 | 16.8 | 18.1 | 19.5 | 21.3 |
| Total | 132.4 | 140.0 | 147.7 | 154.6 | 160.2 | 166.1 |

Source: Euromonitor International, 2010



Premium dog food sales increased by 46% from 2005 to 2010 and out-performed economy and mid-priced dog food through the economic downturn. Year-on-year growth from 2009 to 2010 was 6%.



5.3.4 Other Pet Food

Sales of other pet food have fluctuated over the last six years and totalled \$11.3m in 2010, a 1% decrease on the previous year. Compared to 2005, other pet food sales have fallen by 5%.

This decrease is largely attributed to the drop in bird numbers. Although the companion animal bird population has only decreased by half a percent since 2005, sales of bird food account for the vast majority of all other pet (excluding dogs and cats) food sales.

In 2010 bird food sales made up 78% of all other pet food sales, with fish food comprising 15% and small mammal/reptile food making up the remaining 7%. In 2005, these proportions were 85%, 10% and 5% respectively.

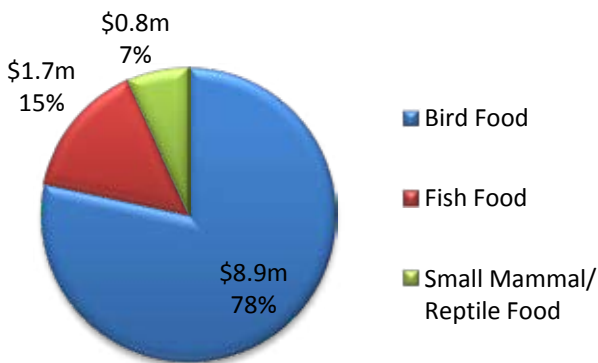
In contrast, sales of fish food and small mammal/reptile food have increased as these companion animals have become more popular. Fish food experienced the strongest growth, increasing by 6% from 2009.

Other Pet Food Sales by Type - 2005 - 2010 (NZ\$ million)

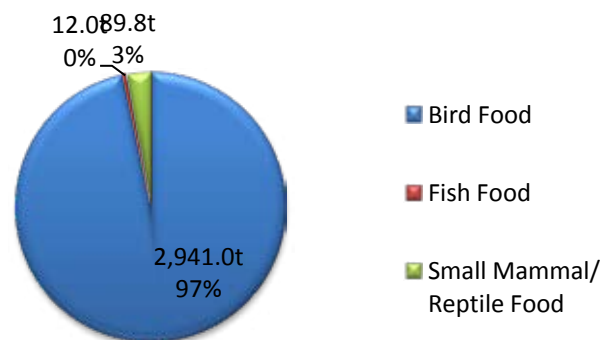
| Type | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Bird Food | 10.1 | 9.7 | 9.5 | 9.5 | 9.2 | 8.9 |
| Fish Food | 1.2 | 1.3 | 1.5 | 1.5 | 1.6 | 1.7 |
| Small Mammal/Reptile Food | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.8 |
| Total | 11.9 | 11.7 | 11.6 | 11.8 | 11.5 | 11.3 |

Source: Euromonitor International, 2010

Value of other pet food sales (2010)



Volume of other pet food sales (2010)



In terms of volume sales, as would be anticipated, bird food makes up almost all of the volume sales at 97%.

5.4 PET CARE PRODUCTS

Pet owners increasingly view their companion animals as full members of the family, placing greater importance on their health and well-being. This trend has had a significant impact on the sales of pet care products as pet owners seek to ensure the health and happiness of their companion animals.

Since 2005, this sector has enjoyed growth of 20%, which reflects the growth seen in the pet food market. Sales have increased from \$194.1m in 2005 to \$232.2m in 2010.

Pet care product sales did feel the impact of the recession with growth rates slowing, however as household spending pressures have started to lift, sales in this sector have started to bounce back.

Pet Care Product Sales - 2005 - 2010 (NZ\$ million)

| Type | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cat litter | 20.4 | 21.2 | 22.1 | 23.1 | 24.0 | 25.0 |
| Toys and accessories | 26.2 | 27.1 | 28.1 | 29.2 | 30.0 | 31.0 |
| Grooming products | 19.5 | 20.3 | 21.0 | 21.6 | 22.3 | 23.1 |
| Healthcare | 128.0 | 133.0 | 138.0 | 143.0 | 148.0 | 153.1 |
| Total | 194.1 | 201.6 | 209.2 | 216.9 | 224.3 | 232.2 |

Source: Datamonitor, 2011

Pet Care Product Sales - 2005 - 2010 (Growth %)

| Type | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| Cat litter | 3.9% | 4.2% | 4.5% | 3.9% | 4.2% |
| Toys and accessories | 3.4% | 3.7% | 3.9% | 2.7% | 3.3% |
| Grooming products | 4.1% | 3.4% | 2.9% | 3.2% | 3.6% |
| Healthcare | 3.9% | 3.8% | 3.6% | 3.5% | 3.4% |
| Total | 3.9% | 3.8% | 3.7% | 3.4% | 3.5% |

Source: Datamonitor, 2011

In 2010 51% of all pet care products were sold through supermarkets/hypermarkets, a further 35% were sold through pet shops and 11% through veterinary clinics (Euromonitor International, 2010).

5.4.1 Cat Litter

Cat litter saw a drop off with the onset of the recession as cat owners traded down in this category to less expensive ranges (Euromonitor International, 2010). This reduced sales growth has started to turn around, with a 4.2% increase in 2010 and total sales of \$25m (Datamonitor, 2011).

The demand for cat litter is seasonal, with demand peaking in winter months as cats spend more time indoors.

5.4.2 Other Pet Products

Other pet products include a wide range of products including toys; accessories such as pet homes (cages, kennels, small animal units, fish tanks, baskets) and housewares including litter trays, feeding bowls, animal carriers, bedding and duvets, bird grit and sand, feeders, cat flaps, scratching posts, animal toilets and scoopers, fish clarifiers, pumps and fish ornaments; and grooming and dressage products such as collars, leads, harnesses, whistles, tags, clothing, brushes and shampoo.

Sales of these products totaled over \$54.1m in 2010, a solid 3.4% increase on the previous year. This area has seen total growth of 18.4% since 2005.

5.4.3 Healthcare Products

Pet healthcare products include anti-parasitics (flea, tick, worming treatments), skincare, ear care, dental care and herbal/homeopathic products.

Consumer buying habits in companion animal healthcare and dietary supplements have shifted from more expensive advice-driven vet clinics and pet shops to the price competitive grocery channel (Euromonitor International, 2010).

This change is in part attributed to the recession, but was also impacted by consumer education programmes such as Family Health Diary, education activities undertaken by pet product manufacturers, a wealth of information resources available on the internet that encourage self-medication of pets and a trend towards over the counter (OTC) products (Euromonitor International, 2010).

Expenditure on healthcare products has increased by \$25.1m since 2005, which represents growth of 20%.

Healthcare Product Sales - 2005 - 2010 (NZ\$ million)

| Type | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| External parasite treatments | 40.5 | 42.1 | 43.6 | 45.1 | 46.7 | 48.2 |
| Supplements | 36.8 | 38.2 | 39.6 | 40.9 | 42.3 | 43.6 |
| Other healthcare | 29.5 | 30.5 | 31.6 | 32.7 | 33.8 | 34.9 |
| Worming treatments | 21.3 | 22.3 | 23.3 | 24.3 | 25.4 | 26.4 |
| Total | 128.0 | 133.0 | 138.0 | 143.0 | 148.0 | 153.1 |

Source: Datamonitor, 2011

External and internal parasite treatments made up 49% of healthcare product sales, with worming treatments experiencing the strongest year-on-year growth as well as the strongest growth between 2005 and 2010. Cross segment worming treatments have seen the strongest growth across all healthcare products, with sales increasing by 40% since 2005.

Dietary supplements make up 29% of all healthcare product sales and have enjoyed growth of 19% since 2005.

5.5 VETERINARY SERVICES

5.5.1 Overview of the Veterinary Industry

According to the Veterinary Council of New Zealand's analysis of the veterinary workforce, there were 2,392 practicing and 168 non-practicing veterinarians in New Zealand on 30 June 2010. This represents 55 veterinarians per 100,000 head of

population, an increase of 30% on 2002 when veterinarian availability was 48 per 100,000.

Of these, 40% work in the agricultural sector, 37% with companion animals and the remainder in laboratories, regulatory activities, teaching, research and epidemiology. Women make up 48% of the veterinary workforce.

1,700 veterinarians are members of the New Zealand Veterinary Association (NZVA). There are 650 veterinary nurses that are members of the New Zealand Veterinary Nurses Association (NZVNA).

Veterinary nurses are not required by the government to be registered. The New Zealand Veterinary Nursing Association has 650 voluntary members, with the total number of veterinary para-professionals therefore estimated to be higher than this number.

There are 12 education providers in New Zealand that offer either one or all of: Certificate in Veterinary Nursing, Diploma in Veterinary Nursing, Certificate in Rural Animal Technology and Bachelor of Veterinary Technology. Their class sizes range from 8 to over 100 students depending on the institution.

A list of 11 of these providers can be found on the NZVA website: <http://www.nzvna.org.nz/node/109>. The 12th institution is Massey University: http://www.massey.ac.nz/massey/learning/programme-course-paper/programme.cfm?prog_id=93432.

Veterinary Industry Workforce Breakdown

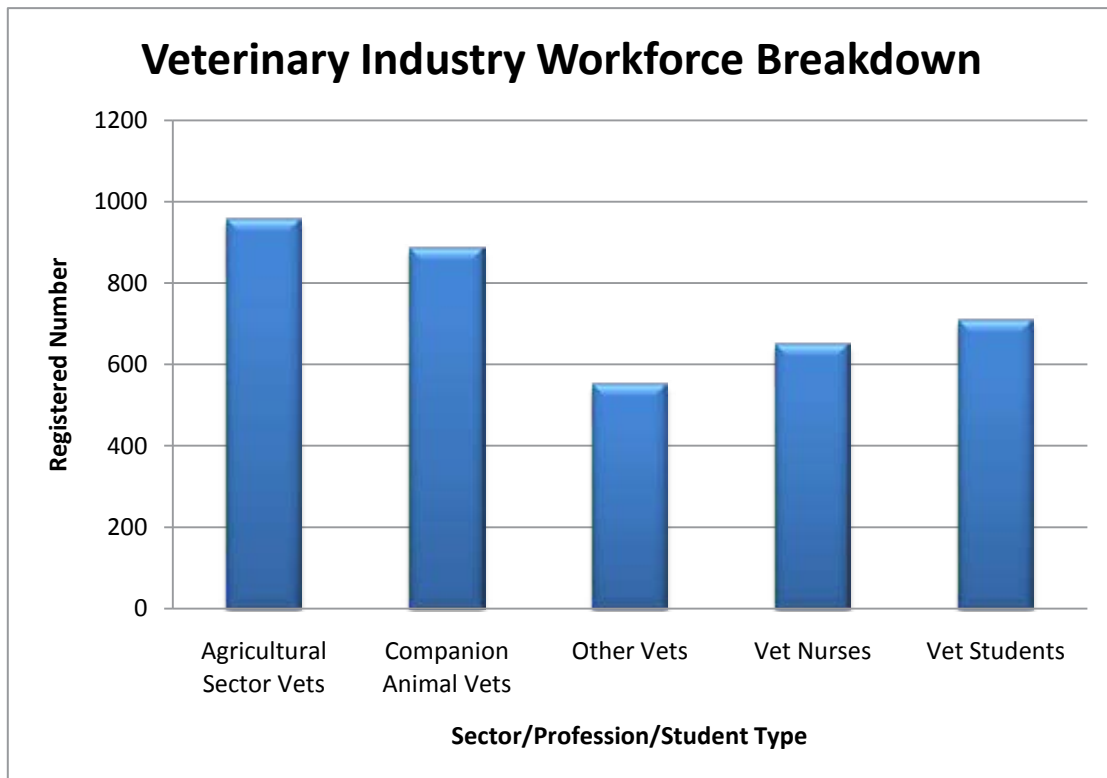
| Sector/Profession/Student Type | Registered Number |
|--|-------------------|
| Agricultural Sector Vets | 957 |
| Companion Animal Vets | 885 |
| Other Vets* | 550 |
| Vet Nurses** | 650 |
| Vet Students – degree qualifications and postgraduate studies*** | 710 |
| Total | 3,537 |

* Includes vets working in laboratories, teaching, research, epidemiology and the regulatory sector

** Represents the number of members of the NZVNA

*** Students registered during the 2010 calendar year

Source: The Veterinary Council of New Zealand, 2010; NZVNA, 2011; Massey University, 2011.



5.5.2 Expenditure on Veterinary Services

Visits to the vet represent one of the most significant expenses of pet ownership. Over the last year, 85% of dog owners and 67% of cat owners have taken their companion animals to the vet.

In contrast, birds and fish are much less likely to be taken to the vet. Only 24% of bird owners have needed to see a vet about any of their birds during the year and as would be expected, the corresponding figure for fish owners very low at just 2%.

Of all horses and ponies, 67% have been seen by a vet in the last year, and 32% have had multiple vet visits.

The average annual expenditure on veterinary services for cats is \$108 per animal, totalling \$157m. Dog owners spend more per pet at \$262, totalling \$188m a year. Horse and pony owners spend a total of \$13m on veterinary services for their animals a year, an average of \$146 per horse/pony.

Annual Expenditure on Veterinary Services

| Animal Type | \$ Million | % Total | Average spend per household (\$) | Average spend per animal (\$) |
|-------------------|------------|------------|----------------------------------|-------------------------------|
| Cats | 157 | 44 | 195 | 108 |
| Dogs | 188 | 53 | 393 | 262 |
| Horses and ponies | 13 | 4 | 468 | 146 |
| Total | 358 | 100 | ~ | ~ |

Source: Galaxy Research, 2011

5.5.3 De-sexing

Overall, 86% of New Zealand's cat population is de-sexed. Cats in suburban areas (92%) are more likely to be de-sexed than those in regional or rural areas (77%).

Although fewer dogs are de-sexed (63%), as with cats, dogs in urban areas (74%) are more likely to be de-sexed than those in regional and rural areas (47%).

De-sexing of companion animals is an important part of managing pet populations and reducing the number of unwanted pets.

The Society for the Prevention of Cruelty to Animals (SPCA) advocates the de-sexing of domestic pets from 6 weeks of age to prevent the births of unwanted and stray animals.

Although figures may vary depending on the fertility of the cats, it is estimated that one un-spayed female and her un-spayed female kittens are capable of producing 3,200 kittens in a year. Additionally in one night an unneutered tomcat can impregnate many females.

The benefits of de-sexing companion animals are well documented, including:

Health

- Reduced risk of cancer or other diseases of the reproductive organs, such as testicular cancer, prostate cancer/disorders in males, and cystic ovaries, ovarian tumours, acute uterine infections and breast cancer in females, and also other diseases such as mammary cancer, perianal tumours and perianal hamias.
- Females can suffer from physical and nutritional exhaustion if continually breeding.
- De-sexed animals generally live longer and healthier lives.

Behaviour

- Less prone to wander, fight, and are less likely to become lost or injured.
- Reduces territorial behaviour such as spraying.
- Less likely to suffer from anti-social behaviours. De-sexed animals become more affectionate and better companions.

- Eliminates "heat" cycles in females and their efforts to venture outside in search of a mate.
- Eliminates male dogs' urge to "mount" people's legs.

Cost

- Reduces the cost to the community of having to care for unwanted puppies and kittens in pounds and SPCA centres.
- No additional food or vet bills for the offspring.
- No need to find homes for unwanted or unexpected litters of puppies or kittens.
- Dumping unwanted puppies and kittens is an ethical cost, as well as being illegal and inhumane.
- The price of de-sexing can be made more affordable to those in financial need with the assistance of the SPCA.
- There are savings in registration fees for de-sexed canines.

5.6 OTHER PET CARE SERVICES

New Zealanders spend just over \$200m a year on other companion animal services.

There are a large number of companies, businesses and individuals that provide a wide range of services to meet the evolving needs of pet owners. These range from dog walking to training, pet fitness, grooming, transportation, insurance, day care facilities, boarding and minding, funeral, cremation and burial services to pet clubs and associations.

Pet Care Service Companies, 2011

| Type of Service | Number of Companies |
|--------------------------|---------------------|
| Pet minding | 59 |
| Pet grooming | 396 |
| Pet shops | 257 |
| Boarding and transport | 72 |
| Pet supplies - wholesale | 48 |
| Pet services - general | 915 |
| Veterinarians | 672 |

Source: National Yellow Pages, 2011

Depending on the type of companion animal, expenditure on these services varies. As a whole boarding, day care and walking services account for the largest proportion of expenditure on other pet care services, totalling \$75m a year.

Annual Expenditure on Other Pet Care Services

| Animal Type | \$ Million | % Total |
|---------------------------|--------------|-------------|
| Boarding/Day care/Walking | 75.0 | 37% |
| Training | 18.5 | 9% |
| Clipping/Grooming | 45.5 | 22% |
| Insurance | 15.7 | 8% |
| Registration/Membership | 49.6 | 24% |
| Total | 204.3 | 100% |

Source: Galaxy Research, 2011

5.6.1 Boarding, Minding, Day Care and Walking

There are 59 pet minding and 72 pet boarding and transportation companies listed in the National Yellow Pages (2011) ranging from day care facilities to animal holiday/resort-style facilities for longer stays.

Many companies offer multiple services to meet the needs of pet owners. For example, pet minding companies often offer dog walking services for people with busy schedules or who are out of town.

Dog owners use boarding, minding, day care and walking services more, and spend more money on these services, than other pet owners. Over the last year, 30% of dog owners used these services, spending a total of \$45m.

By comparison, only 18% of cat owners used these services, spending \$28m over the last year.

Annual Expenditure on Boarding, Minding, Day Care and Walking

| Animal Type | \$ Million | % Total |
|---------------|-------------|-------------|
| Cats | 28.2 | 38% |
| Dogs | 45.0 | 60% |
| Horses/ponies | 1.8 | 2% |
| Total | 75.0 | 100% |

Source: Galaxy Research, 2011

5.6.2 Micro-chipping and Registration

In recent years micro-chipping has become more common place and is now a legal requirement for dogs. Almost half (48%) of New Zealand's dog population is micro-chipped. Dogs in urban areas (71%) are more likely to be micro-chipped than those in rural areas. In contrast, only 12% of cats are micro-chipped.

The NZCAC recognised that there was a need for an animal repatriation system, and working with a New Zealand based design, internet and software development company, created the New Zealand Companion Animal Register (NZCAR), which was launched in September 2007.

Since this launch three years ago through to the end of 2010, 135,735 micro-chipped companion animals were registered.

Micro-chipping and registration proved an invaluable tool following the tragedy of the Canterbury earthquake, with many pets and their owners being separated as a result of the quake. At one point the SPCA Canterbury was receiving a call every 20-40 seconds, with the NZCAR receiving around 2,600 calls overall.

Well over 80% of micro-chipped animals were quickly reunited with their owners, however without chips or with missing tags or lack of identification it took longer to reunite the majority of non-chipped animals with their owners.

To support the people of Christchurch, who had endured so much with their animals following the earthquake, the NZCAC, NZCAR, SPCA, NZVA and 32 Christchurch vet clinics joined forces to offer free micro-chipping and registration through the Chip Your Pet For Free campaign that ran from mid March to just before Easter 2011.

With everyone's contributed and waived fees, the value of the campaign was estimated at around \$500,000 and it successfully saw the micro-chipping and registration of nearly 20,000 companion animals.

NZCAR is a critical tool in helping to reunite pets and their owners following a disaster, or at any time. In just over three years, since the register was introduced, over 135,000 pets have been registered.

Microchip Registrations to 31 May 2011

| Animal Type | Registrations |
|--------------------|----------------------|
| Cats | 70,311 |
| Dogs | 64,505 |
| Rabbits | 834 |
| Horses | 38 |
| Ferrets/rodents | 7 |
| Tortoise | 2 |
| Fish | 2 |
| Birds | 10 |
| Turtle | 12 |
| Lizard | 8 |
| Goat | 6 |
| Total | 135,735 |

Source: New Zealand Companion Animal Register, 2011

5.6.3 Animal Training

Dog training can be an invaluable service for many dog owners. Training varies by company and by trainer. Courses range from beginner lessons for puppies through to more advanced training programmes. Training can be undertaken in group classes, which help with socialisation for dogs, one-on-one training for a more dedicated approach or in-home training for more specific behavioural problems.

There are 140 dog-training companies listed in the National Yellow Pages.

Annual Expenditure on Training

| Animal Type | \$ Million | % Total |
|--------------------|-------------------|----------------|
| Cats | 0.8 | 4% |
| Dogs | 9.1 | 49% |
| Horses/ponies | 8.6 | 46% |
| Total | 18.5 | 100% |

Source: Galaxy Research, 2011

15% of dog owners spent money on training their dogs over the last year, totalling \$9.1m.

As might be anticipated, horse and pony owners spend significantly more proportionally on training their animals. 39% of horse/pony owners spent \$8.6m on training for their animals over the last year.

Cat owners do also spend money on training, but considerably less than dog or horse/pony owners. Only 4% of cat owners undertook training for their cats over the last 12 months, spending a total of \$800,000.

5.6.4 Clipping and Grooming

Pet grooming is frequently offered alongside other pet care services including day care and boarding/minding. There are 396 companies listed as offering pet grooming services in the National Yellow Pages (2011).

Mobile grooming services are also popular as they offer a convenient service for busy pet owners. There are 27 such companies across New Zealand, including a specialist cat grooming company (National Yellow Pages, 2011).

Annual Expenditure on Clipping and Grooming

| Animal Type | \$ Million | % Total |
|---------------|-------------|-------------|
| Cats | 8.1 | 18% |
| Dogs | 34.0 | 75% |
| Horses/ponies | 3.5 | 8% |
| Total | 45.5 | 100% |

Source: Galaxy Research, 2011

Overall, 13% of cat owners spent \$8.1m on grooming over the last year. A far higher proportion of dog owners (39%) spend money on clipping and grooming their dogs, totalling \$34m over the last 12 months.

The same proportions of horse and pony owners (39%) have had their animals groomed over the last year, spending \$3.5m.

5.6.5 Insurance

Caring pet owners can be unprepared to manage expensive veterinary bills if their companion animals unexpectedly fall ill or require emergency veterinary treatment. Insurance companies, including specialist pet insurance companies such as Petplan and Pet-n-Sur, offer a range of plans to suit different pet owner needs and budgets.

Annual Expenditure on Insurance

| Animal Type | \$ Million | % Total |
|---------------|-------------|-------------|
| Cats | 4.8 | 31% |
| Dogs | 8.1 | 52% |
| Horses/ponies | 2.8 | 18% |
| Total | 15.7 | 100% |

Source: Galaxy Research, 2011

Although only 5% of cat owners and 8% of dog owners have insurance cover for their companion animals, total expenditure over the last year has been \$4.8m for cats and \$8.1m for dogs.

At 13%, a higher proportion of horse and pony owners have insurance to cover their animals, spending a total of \$2.8m over the last year.

5.6.6 Registration and Membership

Some pet owners have memberships with breed groups or clubs many of which affiliate to national bodies including the New Zealand Kennel Club, New Zealand Cat Fancy or the New Zealand Pony Clubs Association.

Annual Expenditure on Registration and Membership

| Animal Type | \$ Million | % Total |
|--------------------|-------------------|----------------|
| Cats | 4.0 | 8% |
| Dogs | 41.7 | 84% |
| Horses/ponies | 3.9 | 8% |
| Total | 49.6 | 100% |

Source: Galaxy Research, 2011

A very high proportion (77%) of dog owners pay registration to their local council and/or membership costs to clubs or associations. In contrast only 8% of cat owners are members of clubs or associations. A third (33%) of horse and pony owners are members of clubs.



6 THE HUMAN / ANIMAL BOND

6.1 HISTORY

The earliest written and painted human records help us to understand the origin of the bond between humans and animals.

Early Stone Age paintings from almost 300 European cave sites revealed an interesting reverence for animals. Of the 30,000 painted figures in these caves, almost all of them depicted animals rather than humans.

Looking at religious texts, in the first book of the Bible (Genesis) man was 'created' and given 'dominion' over every living thing.

The word 'dominion' originates from the Hebrew word 'yorade' which, when translated means 'to come down to: to have communion with, and compassion for', which, when applied to our fellow creatures, the animals, implies a responsibility towards them and identifies an ideal relationship between humans and animals.

The Greek philosopher, Pythagoras (570-495BC), in his early writings signalled the bond quite clearly when he wrote 'Animals share with us the privilege of having a soul'.

There is no accord amongst scientists as to when humans co-habited with wolves, ancestors of the dog, some believing it could be 60,000 years ago, whilst others, with archaeological evidence to support them, suggests it could be 14,000 years ago.

Valued for their intelligence, keen senses, and loyalty, they were respected guardians, guides, and partners in the hunt. However as ancient burial grounds reveal they were also revered companions, epitomised by the discovery of the skeleton of an elderly woman, knees curled upwards resting on her side, her hands cupped over the chest of a puppy curled in a similar pose just centimetres from her face, believed to be 12,000 years old (Newby, 1997).

The bonding between cats and humans developed after they too performed the crucial service of eliminating rodents that brought disease and threatened harvests of grain.

It was the Egyptians who visibly revered cats the most with numerous god-like effigies and elaborate mummified burials, where cats were incarcerated with saucers of milk to enjoy in the after-life. Indeed, the numerous breeds of cats we know today originated in Egypt from the tabby, still bearing the distinctive 'scarab M' on their foreheads.

The co-evolution of humans and domestic animals over recent millennia has led to cultural dependency and permanent partnerships, where companion animals play an important role in our lives.

From an ancient history of reverence and compassion for animals, humans found it necessary to create laws to prevent their own cruelty towards them.

The first of these was a Bill enacted in the British Parliament in 1822 known as the Protection of Animals Act which followed many years of lobbying from many eminent politicians including Sir William Pulteney, Jeremy Bentham, William Wilberforce and Lord Erskine.

It was Erskine who again referred to the bond between humans and animals.

He noted that *“man’s domination over animals was not given by God for their torture but as a moral trust. Nature has provided the same organs and feelings for enjoyment and happiness to animals as to man – sight, hearing, feeling, thought, the sensations of pain and pleasure, love, anger and sensibility to kindness. Extending humanity to animals would have a most powerful effect on men’s moral sense and upon their feelings and sympathies for each other”*, he concluded.

The benefits of a human/animal relationship have become more recognised and accepted in the modern world in a variety of forms.

We now understand the positive physiological value of animals in lowering blood pressure and cholesterol levels, their therapeutic powers in treating depression, loneliness, heart disease, dementia, and other disabilities, and the now accepted revelation of their ability to detect cancer within humans. Scientific evidence illustrates that people who connect emotionally with animals have a larger capacity for love, empathy and compassion, which manifests itself on all those around them.

Their influence on children develops respect, self esteem, cognitive development and improved social activities, coupled with life’s lessons about love and loss. For the elderly, animals bring a feeling of worth, mobility and quality into those final years.

6.2 TRUSTED COMPANIONS

Societal changes in recent decades mean that we now live a faster-paced and more stressful life. The increased importance of companion animals may in part be attributed to this. Companion animals offer relaxation and replenishment and dogs and cats in particular give an abundance of pleasure. They generate whimsical humour, curiosity, enthusiasm and carefree joy of the moment (Walsh, 2009). In uncertain times they offer unquestioning companionship and comfort.

Companion animals are also considered full members of the family for many pet owners and this has seen greater importance being placed on the health and well-being of companion animals. The growth in the premium pet food segment as well as pet care products and services attests to how much companion animals are valued.

6.3 CHILDREN AND THE FAMILY

Companion animals can play an important role in the social and emotional development of children.

Pets cultivate positive psychosocial development in children (Melson, 2003), who demonstrate heightened empathy, self-esteem, cognitive development and greater participation in social and athletic activities (Walsh, 2009).

Studies have shown that children's relationships with their pets are amongst the most important in their lives (Melson, 2001), with many pet-owning children deriving emotional support from their pets (Melson, 2009).

Through the responsibility of owning a pet, children also learn important skills about how to care for and nurture another being, responsibility, consequences and empathy. It is proven that teaching children kindness and empathy towards animals, shows them how to treat each other the same way.

Animals, both real and fictional characters such as Bambi, Charlotte in E.B. White's *Charlotte's Web* and Simba in *The Lion King*, help to teach children lasting lessons about life, love and loss (Walsh, 2009).

6.4 SOCIAL ENABLERS

Urbanisation and changing social trends have led to more fractured communities where people are less likely to know or talk to their neighbours and people in their local community. Companion animals often fulfil an important role in facilitating interactions between people.

Children and adults alike will spontaneously walk up to and talk to animals, asking their owners if they can pet them and engaging in conversation with the owner. These interactions between neighbours and strangers allow people to feel more involved and engaged in their communities, reducing the sense of isolation.

A study conducted in Australia (Wood et al, 2005) considered the potential health benefits resulting from pet ownership that might accrue to the broader community, through the building of social capital. The study showed that pet ownership was found to be positively associated with some forms of social contact and interaction,

and with perceptions of neighbourhood friendliness. Pet owners scored higher on social capital and civic engagement scales. The results indicate that companion animals increase neighbourhood interactions and a sense of community.

Social capital is another mechanism by which companion animals exert an influence on human health.

6.5 GENERAL HEALTH BENEFITS

With a growing understanding of the strength of the human-companion animal bond came research into how pet ownership affects general health and well-being.

A wide range of studies have shown that interactions with animals reduce anxiety, depression, and loneliness as they enhance social support and general well-being (Freidmann & Tsai, 2006).

Dog owners in particular are likely to be more active after acquiring a dog, contributing to cardio-vascular health. They will generally prioritise the dog's well-being and by ensuring that the dog gets regular exercise by walking or taking them to the local park or dog beach, will increase their own cardiovascular activity.

A comparison study of adults before and after they acquired a pet found that there was a decrease in minor health problems of the pet owners (Serpell, 1991).

6.6 COMPANION ANIMALS AND THE ELDERLY

Senior citizens and the elderly can benefit greatly from interactions with companion animals, whether it is permanent and continuing or periodic from visitations. Companion animals have been shown to enhance the quality of life, mobility and well-being, bringing value, meaning and worth (Walsh, 2009; Baun et al, 2006).

Seniors with pets have fewer minor health problems, fewer doctor visits and reduced medical expenses (Friedmann & Tsai, 2006).

In nursing homes, companion animals have been shown to improve the mood of residents, decrease depressive symptoms and improve social interactions (Colombo et al, 2006), with residents becoming more engaged in their environment when animals are living with them (Walsh, 2009).

A long term study of elderly people in nursing homes with visiting and resident dogs showed significant reductions in tension, confusion and fatigue (Crowley-Robinson et al, 1996). The results were most impressive where there was a resident dog or cat and suggest that where a resident programme is not an option, nursing homes should encourage visiting companion animals as well as people.

Baun and McCabe (2003) found that the presence of animals makes the nursing home more of a home and less of an institution.

6.7 SERVICE ANIMALS

Although not technically pets, service animals play an important role in New Zealand, and for the people that work alongside them and rely on their services, the bonds that develop run deep.

Service animals are selected based on their innate breed attributes, temperament, attitude and instincts, and undergo comprehensive and technically challenging training programmes.

Guide dogs help blind and partially sighted people get around safely, with greater speed and confidence. They enable freedom, independence and confidence, and provide companionship for their owners (Royal New Zealand Foundation of the Blind, 2011).

There are 49 hearing dogs registered in New Zealand, with six more in training and eight retired (Hearing Dogs for Deaf People New Zealand, 2011). Hearing dogs help to enhance the independence of deaf or severely hearing impaired people in New Zealand.

The New Zealand Police service has 21 dog sections which work from Whangarei in the north to Invercargill in the south. There are approximately 110 general purpose police dog teams, ten narcotic detector dog teams and three explosive detector dog teams (New Zealand Police, 2011).

Customs' detector dogs play an important role in protecting New Zealand's borders, intercepting illegal drugs and explosives. The dogs are highly skilled and their abilities to detect a wide variety of illegal drugs and explosives contribute greatly to New Zealand's border security (New Zealand Customs Service, 2011).

Purpose bred dogs, often huntaways and border collies, help farmers across New Zealand to herd and muster thousands of sheep and cattle.

6.8 THERAPY PETS

A growing understanding of the strength and unique nature of the human / animal bond led veterinarians, psychologists, psychiatrists and medical doctors alike to explore how this bond could benefit those in need.

Although the recorded use of animals in therapy for handicapped or otherwise disadvantaged people dates back to the 9th century in Belgium, it wasn't until after the Second World War that the benefits of companion animals in various kinds of therapy started to gain traction.

Dr. Boris Levinson first discovered the advantages of companion animals in clinical psychology by accident when a mother and her disturbed son arrived early for an appointment. Dr. Levinson was not expecting them and had his dog Jingles in his office. Jingles broke down the fear barriers and was the key to the eventual rehabilitation of the patient (Catanzaro, 2003). Dr. Levinson's books *Pet-Oriented Child Psychotherapy* (1969) and *Pets and Human Development* (1972) had a profound influence on the development of this field.

"A pet is an island of sanity in what appears to be an insane world. Friendship retains its traditional values and securities in one's relationship with one's pet. Whether a dog, cat, bird, fish, turtle, or what have you, one can rely upon the fact that one's pet will always remain a faithful, intimate, non-competitive friend -- regardless of the good or ill fortune life brings us."

- Dr. Boris Levinson, Child Psychologist

The challenge lay in proving the effectiveness of companion animals in therapy. Sam and Elizabeth Corson at Ohio State University were among the first to attempt to systematically research and evaluate this (Catanzaro, 2003).

In 1977 Dr. Leo Bustad, Dr. Michael McCulloch, a psychiatrist, and Dr. William McCulloch co-founded the Delta Foundation, later renamed the Delta Society. The Delta Society helped to pioneer the movement of involving animals in patient care to set the standards for Animal Assisted Therapy (AAT) thirty years ago.

In 1988 the SPCA in Auckland (NZ) commenced a programme of visitations to rest homes with selected animals to provide therapeutic comfort to residents. The programme, significantly named Outreach, grew rapidly with the SPCA eventually entering a partnership agreement with the Order of St John to develop the Animal Assisted Therapy programme to higher levels. With over 250 volunteers attending some 220 establishments in Auckland on a regular basis the Outreach Therapy Pets programme is extending to other centres throughout the country.

6.8.1 Dementia and Alzheimer's patients

Companion animals can play a vital role for people suffering the devastating effects of dementia and Alzheimer's.

For someone diagnosed with dementia (of the Alzheimer's type), companion animals provide unconditional acceptance and support in stages of the disease when normal avenues of communication fail (Batson et al., 1998). They can also reduce episodes of verbal aggression and mood swings in the earlier stages of the disease (Churchill et al., 1999; Fritz et al., 1995).

These studies have demonstrated that the short-term presence of a therapy animal can increase social interaction and reduce the level of agitation in people with dementia (Baun & McCabe, 2003).

6.8.2 Learning

Companion animals have been used successfully in schools to help children with learning difficulties, helping them to overcome shyness, anxiety and classroom embarrassment by having them read out loud to a visiting pet who is attentive and nonjudgmental (Walsh, 2009). "Sit Stay Read!" is an example of such a programme which is run in schools and libraries in Chicago, whilst a similar programme operates in New Zealand under the Outreach programme.

6.8.3 Recovery and Rehabilitation

A range of different recovery and rehabilitation types have used companion animals successfully in their programmes, including physical therapy and in prisons.

6.8.4 Chronic Disease and Illness

Companion animals have been found to have a positive impact on people suffering chronic conditions and illness such as heart disease, dementia, cancer, AIDS and to alleviate suffering and anxiety for those in palliative and hospice care (Walsh, 2009).

6.8.5 Mental Health

For people suffering from developmental disabilities and mental health disorders such as schizophrenia, depression, anxiety and ADHA, companion animals have been found to positively impact patients' optimal level of functioning (Walsh, 2009). People with schizophrenia were shown to have less apathy, a better quality of life and increased motivation. This is partially attributed interactions with companion animals, which have been shown to lessen the tendency of people with mental problems to focus negatively on themselves (Walsh, 2009).

"One of the most fundamental advantages of animal assisted therapy over other therapeutic modalities is that it provides the patient a much-needed opportunity to give affection as well as receive it. It is this reciprocity - rare among medical therapies - that makes AAT a unique, and valuable route to healing."

Dr. Andrew Weil, World-renowned leader and pioneer in the field of integrative medicine

6.9 THE LINK BETWEEN ANIMAL AND HUMAN CRUELTY

Just as companion animals provide comfort and enjoyment to humans, creating a strong bond between them, they can also be victims of abuse, or a signal of other forms of abuse, particularly within a domestic setting. The premise that animals within the community are not only fellow victims of cruelty, they are also signals to deeper violence, and possibly even liberators, is an interesting one.

Alarming figures support this premise, particularly as it affects child abuse, with over 55,000 children in New Zealand having witnessed family violence incidents requiring police intervention in one year alone, with many involving cruelty to animals, which they were forced to witness.

Research indicates that children exposed to animal cruelty are almost three times more likely to commit a similar offence themselves. Even more alarming is the evidence that first acts of cruelty are generally inflicted on animals (55%) by those who move on to further acts of violence against people.

International research has also unearthed figures that highlight the use of animals within the home environment as a form of emotional abuse against a partner or family in violent situations.

In a detailed study of 42 male offenders imprisoned for acts of domestic violence it was evident that where cases of animal abuse existed it was described as a 'form of emotional abuse'. 9% threatened to abuse the animal, 21% did in fact hurt or kill an animal, and an additional 28% both threatened and did hurt or kill an animal in the family unit (Ascione, F.R., 2007).

In a study of women who were exposed to animal abuse in a domestically violent situation 13% were exposed to threats to hurt an animal whilst 20% witnessed verbal abuse of the pet. However 17% witnessed the animal being beaten with an object by their partner, 7% witnessed the killing of the pet, whilst 9% involved children watching the incident (Ascione, F.R., 2007).

In a study involving 57 families in care over incidents of child abuse it was found that in 88% of the families where the children were abused, animals were also. In 60% of those cases an abusive parent had killed or injured an animal, and about 30% of the children abused animals to vent their anger (NZ Listener, 2005).

In a study by Northeastern University and Massachusetts SPCA it was found that 70% of animal abusers had committed at least one other offence and almost 40% of those had committed violent crimes against humans (NZ Listener, 2005).

An International movement known as 'First Strike' led by Dr Randall Lockwood, Department of Psychology, State University of New York, addresses the link between animal and human cruelty is active in New Zealand. Additionally in 2008 the Royal New Zealand SPCA entered into a joint initiative with Child, Youth and Family (CYF) to work together where signs of family abuse were discovered. This represents a unique partnership between two national organisations caring independently for children and animals.

"Animal abuse has long been overlooked as an indicator, monitor, and even precursor to the antisocial behaviour people inflict on each other, including child abuse, spouse beating, rape and homicide"

(Beck, 1981, p.232)



7 EDUCATION

There are a number of educational programmes involving companion animals that are run through New Zealand for children and for the betterment of the broader community.

The SPCA undertakes educational programmes aimed at raising awareness of the SPCA's role in the community, and to develop the public's understanding of animal welfare.

The Society's empathy education programmes are specifically designed to teach compassion and responsible behaviour towards animals, and to recognise the value of animals in the community and to individuals.

SPCA education programmes allow engagement with people of all ages to share with them the key messages of animal welfare. They encourage others to realise that we share our planet, our communities and our homes with animals, and lead people from a human-centred view of the world towards one that includes empathy and respect for all life.

Each day SPCA education teams work with children, students, parents, teachers, group leaders and members of the public who are interested in learning more about the SPCA encouraging others to value and respect animals.

Auckland SPCA, Canterbury SPCA, Otago SPCA and Wellington SPCA run regional education programmes in addition to individually tailored or targeted programmes. These include interactive group visits to SPCA Centres, school holiday programmes, school programmes aimed at Primary/Intermediate, Secondary, Tertiary/Community levels, animal birthday parties and other events.

7.1 YOUTH AT RISK

The SPCA also offers special empathy building programmes for youth within the community. These programmes are designed to help young people make responsible adult decisions. The goal of these programmes is to prevent violence in a planned positive way, develop and strengthen empathy, provide young people with practical skills and increased knowledge of animal care and empower young people by providing them with purposeful activity that is valued in the wider community.

The SPCA has been working with Child, Youth and Family (CYF) to deliver a successful programme for young people at one of their care and protection residences since February 2010.

7.2 ONE OF THE FAMILY

'One of the Family' is an SPCA initiative, which was launched in 2007 and is run in schools across the country. The programme, championed by former All Black Norm Hewitt and the SPCA's National Education Coordinator, aims to raise awareness of the link between animal cruelty and human violence.

Research has shown that family violence often starts with, and involves, animals, and that most animal abusers are adolescent or young males. Research also suggests that families are losing – or have lost – the values of nurturing and respect, with many children not being taught to care for others. The SPCA believes that teaching children to empathise with animals is an effective way to teach children to empathise with each other.

One of the Family focuses on crucial life-skills and behaviours, such as caring, nurturing, communication, respect for life, cooperation, socialisation, self-esteem, a sense of achievement and building empathy for others.

www.oneofthefamily.co.nz

7.3 OTHER EDUCATION

There are a number of animal educational programmes at higher levels including University. More information is available on the following websites:

www.massey.ac.nz

www.mti.net.nz

www.unitec.ac.nz

www.maf.govt.nz

Two publications issued by NZCAC deal with Codes of Welfare for cats and for dogs, containing the Minimum Standards of care as recommended, and in accordance with the Animal Welfare Act (1999).

These publications may be viewed at:

www.nzcac.org.nz

Full Codes of Welfare may be viewed at:

www.biosecurity.govt.nz/animal-welfare

The Animal Welfare Act (1999) may be viewed at:

www.legislation.govt.nz



8 ABOUT THE NEW ZEALAND COMPANION ANIMAL COUNCIL

Throughout New Zealand there are many individuals, organisations and official bodies who are actively concerned both with the welfare and control of companion animals. The diverse nature of their philosophy and operational modus operandi creates a need for communication and the sharing of ideas so that collectively, and by consensus, each and every one of them can contribute to the improvement of the welfare of companion animals in their areas of activity.

It was this ideology that prompted the Auckland Society for the Prevention of Cruelty to Animals (SPCA) to initiate the formation of a forum which would bring together the many and varied animal groups in an open meeting for an exchange of views and ideas.

The gathering in 1990 was named the Companion Animal Workshop, and it has been an annual event ever since. As the workshops grew in importance, and the intensity of the discussions developed into meaningful welfare concerns, it became apparent that the participants craved a structure whereby the resolutions of the meetings could be more actively pursued and topics raised could be further advanced.

As a result the New Zealand Companion Animal Council (NZCAC) was established in February 1996, to be a forum to facilitate the achievement of a harmonious relationship between companion animals, people and the environment. NZCAC has since become a respected national organisation representing the amalgam of a diverse range of animal groups.

The uniform vision of the New Zealand Companion Animal Council is:

"To be a forum for the facilitation of a harmonious relationship between companion animals, people and the environment."

This vision is pursued through various strategic goals agreed upon by the Council which include:

- **NZ Companion Animal Conference** – The Council has not lost sight of its origins and accordingly its prime focus is to deliver an annual conference in selected locations through New Zealand. These events are structured to attract the widest possible participation of regulatory and animal welfare interests, both internationally and throughout New Zealand, to share views and to progress animal management and welfare issues to new levels of excellence.

Additional aspirations of the Council include:

- **The Human / Animal Bond** – Promote a public understanding of the concept of the human / animal bond by encouraging the publication and exposure of the positive benefits that exist through this unique relationship.
- **Interaction Between Animals And The Community** – Develop and encourage an understanding of animals working within the community, with particular emphasis and support in areas involving the therapeutic value of animals in special communities.
- **Human / Animal Abuse** – Recognise the link between animal abuse and family violence and use its best endeavours to ensure that authorities recognise these links to provide effective preventative and protective measures.
- **Humane Education** – Assist all in the implementation of resource materials concerning animal care and welfare for use in schools in an endeavour to unify all resource materials.
- **Responsible Pet Ownership And De-sexing** – Promote and encourage the de-sexing of companion animals and in particular encourage the veterinary profession to undertake early de-sexing techniques.
- **Legislative Support** – Play an active and supportive role in the development of regulations and authoritative guidelines to create an improved environment for, and an understanding of, the needs of all companion animals. Prepare Position Papers on various animal related issues and collectively lobby to promote these positions to political levels to effect change.
- **Territorial Authorities And Welfare Organisations** – Resolve to work with Territorial Authorities in their areas of responsibility, particularly in relation to Dog Control. Involve Territorial Authorities in all matters encompassing companion animals in their given territory to improve the environment both for animals and humans.
- **Research Projects** – Where appropriate support projects that will provide increased information concerning animal welfare, companion animal issues and animal management in general.

8.1 CODES OF WELFARE

Much of the focus of the Council has been the formation of writing groups from its membership base to draft Codes of Welfare for submission to the National Animal Welfare Advisory Committee (NAWAC). These codes provide minimum standards for animals that are expected by law, in addition to recommended best practices, acting as useful educational information for animal guardians.

Codes of Welfare have included the first New Zealand code for cats, and a code for dogs, both now published documents. The group has recently completed a code of welfare for the Temporary Housing of Companion Animals covering establishments such as pet shops, boarding establishments, animal shelters and pounds, which is awaiting approval and publication.

8.2 THE COMPANION ANIMAL REGISTER

A recent important initiative by the NZCAC has been the establishment of the New Zealand Companion Animal Register to provide an identification and retrieval system for all companion animals micro-chipped and resident in New Zealand.

This register is operated under a Trust involving principle stakeholders which include the NZ Veterinary Association, the NZ Kennel Club, the NZ Cat Fancy, the NZ Companion Animal Society, the SPCA and the NZCAC, and is designed to provide instant access to comprehensive information that will assist in the reuniting of animals with their owners / guardians.

Under the established Trust profits derived from the register will be allocated on application, and at the discretion of the Trustees, to projects that will provide ongoing welfare services to companion animals throughout New Zealand.

For full details visit the NZCAR website at www.animalregister.co.nz.

For further details on the New Zealand Companion Animal Council visit the website at www.nzcac.org.nz



9 REFERENCES AND SOURCES

All references and other sources of information used to compile this report are listed below.

American Pet Products Association (APPA), 2011, Industry Statistics and Trends, viewed on 15 March and 12 July, http://www.americanpetproducts.org/press_industrytrends.asp

Australian Companion Animal Council, 2010, Contribution of the Pet Care Industry to the Australian Economy, 7th Edition, 2010.

Ascione, F.R., Utah State University, 11th International Conference on Human-Animal Interaction, Tokyo 2007.

Baun, M., Johnson, R. & McCabe, B. (2006) Human-animal interactions and successful aging. In A. Fine (ed.), Handbook on animal assisted therapy (2nd ed, pp. 287-302). San Diego, CA: Academic Press.

Colombo, G., Buono, M., Smania, K., Raviola, R. & De Leo, D. (2006) Pet therapy in institutionalized elderly: A study of 144 cognitively unimpaired subjects. *Archives of Gerontology and Geriatrics*, 42: 207-216.

Crowley-Roninson, P., Fenwick, D.C. & Blackshaw, J.K. (1996) A long-term study of elderly people in nursing homes with visiting and resident dogs. *Applied Animal Behaviour Science*, 47: 137-148.

Delta Society, 2011, What are Animal-Assisted Activities/Therapy?, viewed on 12 April 2011, <http://www.deltasociety.org/Document.Doc?id=10>

Datamonitor, 2011, Cat Care Market in New Zealand to 2014.

Datamonitor, 2011, Dog Care Market in New Zealand to 2014.

Datamonitor, 2011, Other Pet Care Market in New Zealand to 2014.

Datamonitor, 2011, Pet Healthcare Market in New Zealand to 2014.

Euromonitor International, 2009, Dog and Cat Food in Australia.

Euromonitor International, 2010, Pet Care in New Zealand.

The European Pet Food Industry (FEDIAF), 2011, Facts and Figures, viewed on 15 March 2011, <http://www.fediaf.org/the-european-pet-food-industry/facts-figures/>

Friedmann, E. & Tsai, C-C. (2006) The animal-human bond: Health and wellness. In A. Fine (Ed.), *Animal-assisted therapy: Theoretical foundations and practice guidelines* (2nd ed, pp.95-117). San Diego: Academic Press.

Galaxy Research, 2011, New Zealand Pet Owner Survey.

Hearing Dogs for Deaf People New Zealand, 2011, Reiger of Dogs, viewed on 20 April 2011, <http://www.hearingdogs.org.nz/About/0,272,1232,00.html>

Massey University Veterinary School, 2011, pers comms.

Ministry of Agriculture and Forestry (New Zealand), 2011, What New Zealanders Really Think about Animal Welfare, <http://www.maf.govt.nz/news-resources/publications.aspx>

Newby, J. (1997) Pact for Survival. ABC Books, Sydney.

New Zealand Companion Animal Register, 2011, www.animalregister.co.nz

The New Zealand Companion Animal Council, 2011, www.nzcac.org.nz

The New Zealand Companion Animal Trust, 2011, <http://nzcac.org.nz/nz-companion-animal-trust>

New Zealand Customs Service, 2011, Detector Dogs, viewed on 20 April 2011, <http://www.customs.govt.nz/about/Who+we+are/Operations/Trade+and+Marine/Dectector+Dogs/Detector+Dogs.htm>

New Zealand Economic and Financial Overview 2010, The Treasury, 2010.

New Zealand Pet Food Manufactures Association, 2011, The Pet Food Market, viewed on 7 April 2011, <http://www.petfoodnz.co.nz/market.htm>

New Zealand Police, 2011, New Zealand Police Dog Unit, viewed on 20 April 2011, <http://www.police.govt.nz/service/dogs/index.html>

New Zealand Veterinary Nursing Association, 2011, NZVA, viewed on 10 June 2011, <http://www.nzvna.org.nz/>

NZ Listener, February 5-11 2005, Vol 197 No 3378.

One of the Family, 2011, viewed on 29 June 2011 <http://rnzspca.org.nz/education/one-of-the-family>

Pet Food Manufacturers Association (PFMA), 2011, Pet Ownership Trends, viewed on 15 March 2011, http://www.pfma.org.uk/statistics/index.cfm?id=130&cat_id=60

Pet Food Manufacturers Association (PFMA), 2011, Pet Population 2010, viewed on 15 March 2011, http://www.pfma.org.uk/statistics/index.cfm?id=83&cat_id=60

Pet Food Manufacturers Association (PFMA), 2011, Top 10 Pets in 2010, viewed on 15 March 2011, http://www.pfma.org.uk/statistics/index.cfm?id=120&cat_id=60

Pet Food Manufacturers Association (PFMA), 2011, Small Animal Population, viewed on 15 March 2011, http://www.pfma.org.uk/statistics/index.cfm?id=127&cat_id=60

Royal New Zealand Foundation of the Blind, 2011, Guide Dogs, viewed on 20 April 2011, <http://www.rnzfb.org.nz/about/member-services/guide-dogs>

Royal New Zealand Society for the Prevention of Cruelty to Animals (SPCA), 2011, Education, viewed on 20 April 2011, <http://rnzspca.org.nz/education>

Auckland SPCA, 2011, www.sPCA.org.nz/default.aspx

Canterbury SPCA, 2011, www.spcacanterbury.org.nz

Otago SPCA, 2011, www.petpals.co.nz

Wellington SPCA, 2011, www.wellingtonspca.org.nz

Statistics New Zealand, 2006, 2006 Census of Population and Dwellings, Wellington, Statistics New Zealand.

Statistics New Zealand, 2010, Apartment Dwellers: 2006 Census, Wellington: Statistics New Zealand.

Statistics New Zealand, 2011, Estimated resident population of New Zealand, viewed on 7 April 2011, http://www.stats.govt.nz/tools_and_services/tools/population_clock.aspx

Statistics New Zealand, 2011, Housing indicators 2008, viewed on 9 June 2011, http://www.stats.govt.nz/browse_for_stats/people_and_communities/housing/housing-indicators/8-ownership-of-dwellings.aspx

The Treasury, New Zealand Economic and Financial Overview 2010, viewed on 14 July 2011, <http://www.treasury.govt.nz/economy/overview/2010/04.htm>

The Veterinary Council of New Zealand, 2011, The New Zealand Veterinary Workforce in 2009-2010, viewed on 20 April 2011, http://www.vetcouncil.org.nz/documentation/VCNZ_VeterinaryWorkforce2009-10.pdf

The Veterinary Council of New Zealand, 2010, Annual Report for the year ended 31st December 2010.

Wells, D.L. (2009) The effects of animals on human health and well-being. *Journal of Social Issues*, 65 (3): 523-543.



THE NEW ZEALAND
COMPANION ANIMAL
COUNCIL INC.

Contact: Bob Kerridge, Patron, NZCAC

Phone: +64 9 256 7306

Email: bob.kerridge@spca.org.nz

www.nzcac.org.nz



Publicis
Life Brands
Australia

Contact: Vikky Morris, General Manager,

Phone: +61 2 9006 2926

Email: vikky.morris@publicislifebrands.com.au

www.publicislifebrands.com.au

The NZCAC is supported by:

SPCA[®]

AUCKLAND

www.spca.org.nz



Pet-n-Sur

www.petnsur.com